

**YOUTH COUNCIL FOR NORTHERN IRELAND**

**ANNUAL REPORT AND ACCOUNTS**

**FOR THE YEAR ENDED 31 MARCH 2019**

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

*on*

*5 July 2019*

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# YOUTH COUNCIL FOR NORTHERN IRELAND

## Annual Report and Accounts for the year ended 31 March 2019

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# Performance Report

## Overview

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

### **1.2 Statement from the Chairperson**

The Youth Council for NI (or “the Council”) continued to discharge its statutory functions as a Non Departmental Public Body (NDPB) of the Department of Education (“the Department”). A business plan for 2018-19 was developed which set out the commitments and actions which the Youth Council for NI would undertake in order to ensure that it continued to carry out its statutory duties.

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

The Youth Council for NI does not employ any staff following the transfer of functions to the Education Authority (EA) which took place in 2016-17. One consequence of this has been that during both 2017-18 and 2018-19 it became necessary for Board members to assume a more operational role. In response to this, in December 2017, a Board Support Officer was appointed by the Department to support the Chairperson and Board in the delivery of business objectives and risk management. Board support services continued to be provided during 2018-19.

As the Youth Council for NI has no staff the Department, through a Service Level Agreement, has provided secretariat support and financial services since Autumn 2016.

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

Advice was provided to the Department and EA on issues including: Shared Education; the EA’s proposed Funding Scheme for Regional and Voluntary

Youth Organisations; the relevance of the Youth Service Liaison Forum; the future membership of North/South Education and Training Standards for Youth Work (NSETS); support for a re-constituted Board; and the role of any Advisory Committee in the absence of a re-constituted Board.

The Youth Council for NI actively participated in the Youth Service Reform Partnership, the Regional Advisory Group, Planning and Monitoring Group and the Practice Development Group, and NSETS. Youth Work Training Board continued to function as a committee of Youth Council for NI.

During the year the Youth Council for NI set up a series of engagement meetings with various youth organisations and stakeholders in the youth sector. The Youth Council for NI also reviewed its communications strategy to ensure it continued to facilitate improved communication with the statutory and voluntary youth services and young people. The Youth Council for NI website, which was launched in April 2017, was visited almost eight thousand times during the 2018-19 year.

To implement the recommendations from last year's conference on Shared Education, Youth Council for NI facilitated a round table discussion with 28 stakeholders who had expertise in this area. Input from this event informed Youth Council for NI advice on Shared Education.

### Future challenges

All current Youth Council for NI Board members' appointments ended on 31 March 2019. In the absence of a Minister, as the Head of the Department, new appointments, re-appointments or extensions to the Board of the Youth Council for NI cannot be made.

Consequently the Youth Council for NI, while remaining a statutory body, cannot operate until a new Council can be appointed. The situation will be kept under review.

Máire Young  
Chairperson

### **1.3 About the Youth Council for NI**

The Youth Council for NI was established under the Youth Service (Northern Ireland) Order 1989 and set up on 1 January 1990. The Youth Council for NI is a NDPB of the Department which provides leadership and independent advice on youth work.

#### Mission Statement

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

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

#### Vision

The Youth Council for NI's vision of the future is one where:

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

#### Statutory Functions

The Youth Council for NI's functions include to:

- advise the Department, EA and other bodies on the development of the youth service;

- encourage cross-community activity by the youth service;
- encourage the provision of facilities for the youth service and facilities which are especially beneficial to young persons; and
- encourage and assist the co-ordination and efficient use of the resources of the youth service.

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

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

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

#### **1.4 Key Activities of the Youth Council for NI**

The key activities of the Youth Council for NI are linked to the discharge of its statutory functions. In particular, it has an advisory role to provide formal advice as described above. The Youth Council for NI also provides advice through its membership of NSETS, Regional Advisory Group and Youth Service Reform Partnership.

The Regional Advisory Group meetings, which are chaired by the EA, provide advice to the EA to inform the development of the Regional Youth Development Plan and any other areas on which the EA may decide to seek advice. The Youth Council for NI contributes to the Youth Service Reform Partnership and the Regional Advisory Group meetings. The Youth Service Reform Partnership was established by the then Education Minister to provide a mechanism for engagement between key stakeholders and relevant



Departmental and EA officials. In contributing to these forums the Youth Council for NI participated in meetings, contributed to discussions and provided information/papers as requested.

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

The Youth Work Training Board continued to carry out its role in providing strategic advice on youth sector training and development; promoting quality standards; workforce development and development of a training strategy including arrangements for future delivery of a suite of Youth Work qualifications.

### **1.5 Key Risks in 2018-19**

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

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

The Youth Council for NI Board oversees the development of the Council's Risk Register and monitors and reviews it throughout the year.

The key risks facing the Youth Council for NI in 2018-19 were as follows:

- a lack of understanding of the role of the Youth Council for NI;
- advice provided by the Youth Council for NI is not valued;
- insufficient capacity to deliver on statutory functions; and

- failure to maintain appropriate standards of governance.

## **1.6 Key Issues impacting the Youth Council for NI in 2018-19**

There were no key issues impacting the operation of the Youth Council for NI during 2018-19. Matters relating to the appointment of the Youth Council for NI Board are referred to in Section 1.7 below.

## **1.7 Future Issues Impacting the Youth Council for NI**

All Youth Council for NI Board members' appointments ended on 31 March 2019. In the absence of a Minister, as the Head of the Department, new appointments, re-appointments or extensions to the Board of the Youth Council for NI cannot be made.

Consequently the Youth Council for NI, while remaining a statutory body, cannot operate from 1 April 2019 until such time as a new Council can be appointed. The Department will keep the position under review. In the meantime the Department and the Education Authority will continue to seek feedback from membership organisations and representative groups on the development of the youth service. This includes through the Regional Advisory Group, Youth Service Reform Partnership and other groups established to take forward actions under the Priorities for Youth policy.

## **1.8 Going Concern**

The current Youth Council for NI Board members' appointments ended on 31 March 2019. Legal advice has confirmed that, in the absence of a Minister, the Department is unable to appoint new members or to extend the appointments of existing members. The Youth Council for NI was not included in Regulations specifying further offices to which the Secretary of State may make appointments under section 5 of the Northern Ireland (Executive Formation and Exercise of Functions) Act 2018.

Consequently, the Council has been unable to function from 1 April 2019.

A list of suitable candidates for a reconstituted Board is available, following a public appointments competition in 2018. This list will remain in place for consideration by an incoming Minister or in the event that the Youth Council for NI is included in future Regulations relating to appointment functions.

The Youth Council for NI remains in statute and so continues to exist as a corporate entity therefore, as the sponsor body the Department has prepared the accounts on a going concern basis.

## **1.9 2018-19 Performance Summary**

The annual Youth Council for NI Business Plan 2018-19 set out the commitments and actions that the Council undertook to deliver on its statutory functions. There were a total of 22 aims, 16 were fully achieved, 1 was substantially achieved, 1 was no longer applicable and 4 were not achieved. Of the 4 not achieved, one was due to competing priorities, one was due to inability to secure a managed service, and two were due to the inability to reconstitute a new Board. However there was no impact upon the Youth Council for NI delivering its statutory functions.

The Net Expenditure for the year was £55,448 (2018 £61,903). The decrease in expenditure is a result of the following; in 2017-18 maintenance of the Youth Council for NI website was provided by YouthAction NI. However, during 2018-19 no charge was incurred in respect of website maintenance as this service was provided by the Board Support Officer; in 2017-18 the Youth Council for NI commissioned a report on the future role of the Council and for a reconstituted board, no such costs were incurred in 2018-19; and there was a reduction in 2018-19 of costs related to sector engagement. The decrease in expenditure has been partially offset by the increase in costs related to the engagement of a Board Support Officer, 2018-19 was the first full year for this service.

## **Performance Analysis**

### **2.1 Youth Council for NI Performance and Management Arrangements**

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

### **2.2 Analysis of 2018-19 Performance Against Business Plan**

The annual Youth Council for NI Business Plan 2018-19 set out the commitments and actions that the Council undertook to deliver on its statutory functions. There were a total of 22 aims, 16 were fully achieved, 1 was substantially achieved, 1 was no longer applicable and 4 were not achieved. Of the 4 not achieved, one was due to competing priorities, one was due to the inability to secure a managed service, and two were due to the inability to reconstitute a new Board. However there was no impact upon the Youth Council for NI delivering its statutory functions.

The performance outcomes in the 2018-19 Business Plan were:

- the provision of accurate, timely, efficient and effective advice to the Department on the development of the youth service in line with the directions issued by the Department on 24 March and 15 June 2016 and to the EA to inform its development of the Regional Youth Development Plan for 2018-19;
- the key knowledge and understanding of Regional Voluntary Youth Organisations (RVYOs) and other dimensions of youth service were communicated effectively to the Department and EA;
- further embedding Community Relations, Equality and Diversity in Education (CRED) and Shared Education policy work in RVYOs;
- regional Youth Development Plan articulates RVYO's contributions in respect of CRED related issues; and
- learning and best practice on cross community activity is shared across the sector, and with the EA and the Department.

The activities associated with those outcomes are described under Youth Council for NI statutory functions:

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

**Advice**

Written advice was provided:

To the Department on:

- the relevance of the Youth Service Liaison Forum and what mechanism, if any, should replace it;
- Shared Education;
- the EA's proposed Funding Scheme for RVYOs;
- The future membership of NSETS;
- Support for a re-constituted Board; and
- The role of any Advisory Committee in the absence of a re-constituted Board.

To the EA on:

- the EA's proposed Funding Scheme for RVYO's; and
- Shared Education.

Advice was also provided by the Youth Council for NI to the Department and the EA through members' active participation in meetings of:

- the Youth Service Reform Partnership;
- the Regional Advisory Group, Planning and Monitoring Group and the Practice Development Group;
- Youth Work Training Board; and

- NSETS Committee for Youth Work.

## **Sector Engagement**

To provide accurate, timely, efficient and effective advice to the Department, the EA and other bodies on the development of the youth service the Youth Council for NI needs to engage fully with the sector.

During the year the Youth Council for NI set up a series of engagement meetings with RVYOs (3, including a presentation from the RVYO Strategic Forum at a Youth Council for NI meeting); the EA Chair (1); the Assistant Director of Youth Service (3); and with NI Youth Forum (NIYF) (2). The Youth Council for NI also engaged with these organisations through Regional Advisory Group, Youth Service Reform Partnership, NSETS and Youth Work Training Board. It also reviewed its Communications Strategy and maintained the website, established in 2017-18, to facilitate improved communication with the statutory and voluntary youth service and young people. There have been almost eight thousand visits to the website during 2018-19.

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

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

To implement the recommendations from the March 2018 conference on Shared Education, Youth Council for NI facilitated a round table discussion with 28 stakeholders who had expertise in this area. Input from this event informed Youth Council for NI advice on Shared Education to the Department. The Conference report and advice were circulated to the stakeholders and placed on the Council's website.

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

The Youth Council for NI hosted two Sector Engagement Events attended by 20 RVYO representatives to learn of the current issues of concern in relation to the EA's proposed Funding Scheme and its impact on regional and voluntary youth organisations.

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

Youth Council for NI members participated in and contributed to:

- the Regional Advisory Group, its Planning and Monitoring Group and Practice Development Group meetings (5) as they fulfilled their responsibilities in assisting with the development of the Regional Youth Development Plan;
- the Youth Service Reform Partnership meetings (3) with the Department and EA as it supported the implementation of the new arrangements for administration and funding of regional youth services; secured full integration of regional and local youth services within the EA; ensured that the key knowledge and understanding of RVYOs and other dimensions of youth services are communicated effectively to the EA;
- the Youth Work Training Board as it worked to engage with the sector to inform Youth Council for NI's advice on training;
- NSETS is responsible for the professional endorsement of youth work programmes on the island of Ireland. Members attended meetings (3) of NSETS and provided advice on the review of the terms of reference in light of the changes as to how youth service is delivered;
- sector engagement meetings with RVYOs (3) and Northern Ireland Youth Forum (2) to ascertain their views on issues of concern; and
- the provision of advice on developments in the youth service relating to 6 areas as listed under statutory function 1.

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

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

To implement the recommendations from the March 2018 conference on Shared Education, Youth Council for NI facilitated a round table discussion with 28 stakeholders who had expertise in this area. Input from this event informed Youth Council for NI advice on Shared Education to the Department. The Conference report and advice were circulated to the stakeholders and placed on the Council's website.

### **2.3 Summary of the Youth Council for NI Financial Performance**

#### Statement of Comprehensive Net Expenditure

The Net Expenditure for the year was £55,448 (2018:£61,903). The decrease in expenditure is a result of the following; in 2017-18 maintenance of the Youth Council for NI website was provided by YouthAction NI. However during 2018-19 no charge was incurred in respect of website maintenance as this service was provided by the Board Support Officer; in 2017-18 the Youth Council for NI commissioned a report on the future role of the Council and for a reconstituted board, no such costs were incurred in 2018-19; and there was a reduction in 2018-19 of costs related to sector engagement. The decrease in expenditure has been partially offset by the increase in costs related to the engagement of a Board Support Officer, 2018-19 was the first full year for this service.

#### Statement of Financial Position

The Statement of Financial Position shows net assets of £Nil (2018: net liabilities of £5,316). The improvement in 2018-19 is due to the movement in working capital and the decrease in year end accruals.

### **2.4 Future Development and Performance**

All current Youth Council for NI members' appointments ended on 31 March 2019. In the absence of a Minister, new appointments, re-appointments or extensions to the Board of the Youth Council for NI cannot be made. The Youth Council for NI cannot function until such times as a new Council can be



appointed, at which point future development and performance will be a matter for the reconstituted Youth Council for NI Board.

Handwritten signature in black ink that reads "D A Baker". The letters are cursive and slightly slanted.

**Signed:**

**D Baker (Accounting Officer)**

**Date: 27 June 2019**

## Accountability Report

### 3. Corporate Governance Report

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

#### 3.1 Directors' Report

##### Youth Council for NI Board Membership

The following have served as Youth Council for NI Board members during the current financial year:

<b>Chairperson</b> 1. Ms Máire Young
<b>Vice-Chairman</b> 2. Mr Herbert Faulkner
<b>Members</b> 3. Mr Derek Capper
4. Ms Anne-Marie McClure
5. Ms June Trimble
6. Mr Hugh Campbell

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

- ensuring that high standards of corporate governance are observed at all times;
- establishing the overall strategic direction of the organisation within the policy and resources framework agreed with the then Minister for Education;

- ensuring that the Youth Council for NI operates within the limits of its statutory authority and any delegated authority agreed with the Department, and in accordance with any other conditions relating to the use of public funds;
- ensuring that, in reaching decisions, the Youth Council for NI has taken into account any guidance issued by the Department; and
- abiding by the Seven Principles of Public Life.

#### Pension liabilities

As the Youth Council for NI does not employ any staff, following the transfer of functions to the EA on 1 April 2016, there is no pension liability as at 31 March 2019 as the liability transferred with the staff.

#### Financial instruments

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

#### Company directorship

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

#### Auditor

The Audit was conducted by ASM (4<sup>th</sup> Floor, Glendinning House, 6 Murray Street, Belfast, BT1 6DN) acting on behalf of the Comptroller and Auditor General (Northern Ireland Audit Office, 106 University Street, Belfast, BT7 1EU).

	2019 £	2018 £
Cost of external audit (notional charge)	8,070	6,000

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

## Equality statement

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

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

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

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

## Complaints handling

A Customer Service Complaints Procedure is in place and this is available on the Youth Council for NI's website at <https://youthcouncilni.org/complaints-procedure/>. There were no formal complaints received during 2018-19.

## Personal Data related incidents

There were no incidents of personal data loss during 2018-19.

## Data Protection Regulations

The Youth Council for NI complies with the requirements of the Data Protection Act 2018, which adopts the EU's General Data Protection Regulations (GDPR) into UK law, and which has been effective from 25 May 2018. Prior to this the

Youth Council for NI complied with the requirements of the Data Protection Act 1998.

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

All current Youth Council for NI members' appointments ended on 31 March 2019. In the absence of a Minister, as the Head of the Department, new appointments, re-appointments or extensions to the Board of the Youth Council for NI cannot be made.

Consequently the Youth Council for NI, while remaining a statutory body, cannot operate from 1 April 2019 until such time as a new Council can be appointed. The Department will keep the position under review.

#### Payment of suppliers

The Youth Council for NI is committed to the Better Payments Practice Code as set out in Annex 4.6 of Managing Public Money NI and Dear Accounting Officer letter (DAO) 04/13. During the year 95.65% of invoices were paid within 10 working days, (2017/18 – 96.77% of invoices were paid within 10 working days).

#### Disclosure of information to Auditors

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

### **3.2 Statement of Accounting Officer's Responsibilities**

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

- observe the accounts direction issued by the Department including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis;
- make judgements and estimates on a reasonable basis;
- state whether applicable accounting standards have been followed, and disclose and explain any material departures in the financial statements; and
- prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the entity will continue in operation.

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

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

## **GOVERNANCE STATEMENT 2018-19**

### **Scope of Responsibility**

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

### **Governance Framework**

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

The governance framework has been in place for the year ended 31 March 2019 and accords with Treasury and the Department of Finance guidance.

### **The Youth Council**

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

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

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

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

The Youth Council for NI Members were appointed by the then Minister for Education and consist of a Chairperson, Vice-Chairperson and 4 Members.

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

The Youth Council for NI is the governing body and has a corporate responsibility for setting objectives, agreeing priorities and implementing ministerial policy. All current Youth Council for NI members' appointments ended on 31 March 2019. In the absence of a Minister, as the Head of the Department, new appointments, re-appointments or extensions to the Board of the Youth Council for NI cannot be made. Consequently the Youth Council for NI, while remaining a statutory body, cannot operate from 1 April 2019 until such time as new Board Members can be appointed to take forward the statutory duties of the Council.

### **Future arrangements**

The current Youth Council for NI Board members' appointments ended on 31 March 2019. Legal advice has confirmed that, in the absence of a Minister, the Department is unable to appoint new members or to extend the appointments of existing members. The Council was not included in Regulations specifying further offices to which the Secretary of State may make appointments under section 5 of the Northern Ireland (Executive Formation and Exercise of Functions) Act 2018.

Consequently, the Council has been unable to function from 1 April 2019.



A list of suitable candidates for a reconstituted Board is available, following a public appointments competition in 2018. This list will remain in place for consideration by an incoming Minister or in the event that the Youth Council for NI is included in future Regulations relating to appointment functions.

In the meantime the Department and the Education Authority will continue to seek feedback from membership organisations and representative groups on the development of the youth service. This includes through the Regional Advisory Group, Youth Service Reform Partnership and other groups established to take forward actions under the Priorities for Youth policy

The Youth Council for NI met 8 times during the year and developed and agreed a business plan for the 2018-19 year which was formally approved by the Department.

It reviewed the progress and management of key risks associated with the delivery of the Youth Council for NI's objectives regularly throughout the financial year. Attendance at Youth Council for NI meetings during 2018-19 year is noted below:

**Youth Council for NI Board Meetings  
1 April 2018 – 31 March 2019**

<b>NAME</b>	<b>Total No. of Meetings Held</b>	<b>Meetings Attended</b>	<b>Apologies Received</b>	<b>No Apology</b>
Máire Young (Chairperson)	<b>8</b>	<b>7</b>	<b>1</b>	-
Herbert Faulkner (Vice-Chairperson)		<b>7</b>	<b>1</b>	-
Derek Capper		<b>8</b>	-	-
Anne-Marie McClure		<b>6</b>	<b>2</b>	-
June Trimble		<b>8</b>	-	-
Hugh Campbell		<b>4</b>	<b>4</b>	-

Attendance at Board meetings does not fully reflect the work of members in discharging Youth Council for NI statutory functions. Members formed working

groups on Business Plan implementation, developing advice and planning engagement meetings. There were at least 10 such meetings.

The Accounting Officer and Chairperson are responsible for strategic direction and advice to the Youth Council for NI for the management of services; and the planning and allocation of resources. The Chairperson is responsible for the overall discharge of the statutory functions.

### **Audit and Risk Assurance Committee**

The remit of the Audit and Risk Assurance Committee is to provide assurances to the Accounting Officer that governance arrangements including the management of risk, corporate governance and internal controls are operating effectively. Overall executive responsibility for matters considered by the Audit and Risk Assurance Committee rests with the Council and the Accounting Officer. Meetings of the Audit and Risk Assurance Committee are attended by representatives of the NIAO, the Department and Internal Audit staff from the Department of Finance.

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

During the 2018-19 financial year the Audit and Risk Assurance Committee met on 4 occasions and dealt with a wide range of issues relating to governance and accountability. These included the consideration of:

- risks reported by way of the Youth Council for NI's Risk Register;
- governance Statement;
- internal Audit Work;
- external Audit Work Plan for 2018-19;
- Annual Report and Resource Accounts for 2017-18;
- Audit and Risk Assurance Committee membership;

- the number of meetings to be held annually by the Audit and Risk Assurance Committee;
- updated Audit and Risk Assurance Committee Terms of Reference;
- Audit and Risk Assurance Committee Annual Report; and
- the reconstitution of the Youth Council for NI Board.

The Terms of Reference for the Audit and Risk Assurance Committee were revised in May 2018. Per the revised Terms of Reference, the minimum membership of the Audit and Risk Assurance Committee will be three persons, a Chairperson and two members appointed from the Council membership. Should the Committee require further advice it will be left to the discretion of the Chairperson to seek appropriate input. The quorum necessary for the transaction of business was revised from three members to two members and two members were in attendance at each of the meetings held in 2018-19.

In December 2018 the Department agreed to a request from the Youth Council for NI Board that the number of meetings of the Audit and Risk Assurance Committee be reduced from 4 to 2 each financial year. The decision of the Department was taken on the basis of proportionality and after considering the following factors: the Youth Council for NI has an annual budget of £40k; does not employ any staff; and there have been no significant audit or governance issues raised in the period since 2016. The reduction in the number of Audit and Risk Assurance Committee meetings per year will be kept under review. The Terms of Reference of the Audit and Risk Assurance Committee were further revised in January 2019 to reflect this reduction in the frequency of meetings.

Attendance at Audit and Risk Assurance Committee meetings during 2018-19 year is noted below:

## **AUDIT and RISK ASSURANCE COMMITTEE**

**1 April 2018 – 31 March 2019**

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

<b>NAME</b>	<b>Total No. of Meetings</b>	<b>Meetings Attended</b>	<b>Apologies Received</b>	<b>No Apology</b>
Herbert Faulkner (Chairperson)	<b>4</b>	<b>4(4)</b>	-	-
Derek Capper		<b>4(4)</b>	-	-
Hugh Campbell (appointed May 2018)		<b>1(3)</b>	<b>2</b>	-

Note: Total possible attendance is shown in brackets.

### **Business Plan**

The Youth Council for NI members gave detailed consideration to the 2018-19 business plan at the beginning of the last financial year and actively monitored progress, on a quarterly basis during the year, against the targets set.

### **Highlights of the Youth Council for NI Meetings**

The Youth Council for NI discussed a range of significant issues during the financial year including: the budget for 2018-19; the findings of the report on the Sharing Works Shared Education conference which was held in March 2018 and attended by 89 participants; arrangements for the subsequent round table discussion concerning how the recommendations of the report could be implemented; the directions from the Department that the Youth Council for NI should continue to deliver its statutory functions; that the Youth Council for NI would not be employing staff; the revised governance and accountability arrangements for the revised structure of the Youth Council for NI; the challenges of commissioning managed services; and arrangements for two sector engagement events held in Belfast and Cookstown on the EA's proposed Funding Scheme for Regional and Local Voluntary Youth Organisations. In addition to initiating a sector engagement programme to inform advice, the Youth Council for NI participated fully in the Regional Advisory Group and the Youth Service Reform

Partnership. Advice was given on six issues of strategic importance to the youth service.

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

As part of members' performance appraisal and a skills and expertise audit, the Chair and members reflected on the Board's performance. Based on this and their experience as Board members, the Youth Council for NI provided advice to the Department on the support needed for the reconstituted Board to discharge its functions. They hope this support will be provided when the Board is reconstituted. Members implemented the actions in the Business Plan.

### **Account of Corporate Governance**

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

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

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

At all Youth Council for NI meetings, a standing agenda item on declaration of interest is included and brought to the attention of Council members by the Chairperson. A code of Conduct for Youth Council for NI members has been established and communicated. It is available on the Youth Council for NI's website at <https://youthcouncilni.org/code-of-conduct/>.

An Anti-fraud Policy and Fraud Response Plan are in place, the Youth Council for NI having adopted the anti-fraud policy and fraud response plan of the Department

of Education. All known, suspected and proven frauds are notified to the relevant Department in accordance with agreed procedures. During the 2018-19 financial year there were no incidents of attempted or actual fraud.

The Youth Council for NI has considered how the principles of good practice in corporate governance, as set out in the code, have been applied in the Council's own circumstances and has concluded that there was no significant omission from the Code during 2018-19. It also uses The Good Governance Standard for Public Services. Internal Audit carried out a review of Youth Council for NI Governance arrangements and were able to provide a '**Satisfactory**' level of assurance.

Whistleblowing and Gift and Hospitality policies are in place and have been issued to all members of the Youth Council for NI.

### **Internal Audit Review**

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

The Youth Council for NI Internal Auditor presented the Internal Audit Report for 2018-19 and were able to provide a '**Satisfactory**' level of assurance to the Accounting Officer.

During the year the NIAO presented the Report to 'Those Charged with Governance' for 2017-18 to the Audit and Risk Assurance Committee and an '**Unqualified**' audit opinion was issued by the Comptroller and Auditor General.

### **DAO's**

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

### **Accounting Officer Authority**

As Accounting Officer, I have responsibility for reviewing the effectiveness of the system of internal controls. An effective system of budget management was operated during the year with quarterly assurance statements provided to the

Department on finance, risk and performance as appropriate. This ensured that accurate financial records were maintained.

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

The Internal Auditors (Department of Finance), ASM (PriceWaterhouseCoopers until January 2019) on behalf of the NI Audit Office and the NI Audit Office's Auditors attend and report to the Audit and Risk Assurance Committee.

### **Information Assurance**

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

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

- financial information (including Monthly and Quarterly Expenditure Monitoring Returns and the preparation of the Audited Financial Statements); and
- internal and external audit evidence (mainly used to assess the effectiveness of systems and processes).

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

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

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

## **Control Framework/Risk Assessment**

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

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

## **Data Security/Management**

The Accounting Officer has ultimate responsibility for data security within the Youth Council for NI. Given the nature of the organisation the amount of data held is limited. Information risks are being controlled and managed and the Youth Council for NI continues to be a trusted custodian.

The Youth Council for NI complies with the requirements of the Data Protection Act 2018, which adopts the EU's General Data Protection Regulations (GDPR) into UK law and which has been effective from 25 May 2018. Prior to this the Youth Council for NI complied with the requirements of the Data Protection Act 1998.

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

## **Potential Security Breaches**

There were no records of any data related incidents that would constitute protective security breaches in the financial year 2018-19.

## **Complaints**

A Customer Service Complaints Procedure is in place and this is available on the Youth Council for NI's website at <https://youthcouncilni.org/complaints-procedure/>. There were no formal complaints received during 2018-19.



## **Record of Ministerial Directions**

There were no Ministerial Directives issued to the Youth Council for NI during 2018-19.

## **Risk Management**

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

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

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

The 2018-19 Youth Council for NI corporate risk register contains four risks. These risks relate to the following areas:

- **A lack of understanding of the role of the Youth Council for NI**  
Responsibility for regional youth services funding and support transferred from the Youth Council for NI to the EA on 1 April 2016. In August 2016, the then Minister for Education confirmed his support for the Council continuing in an independent advisory role to the Department, the EA and other bodies on the development of the youth service. Given the significant change of function in 2016-17 there is potential for a lack of awareness within the Education sector and external bodies of the current role of the Youth Council for NI. The Council has taken several steps to manage this risk including; establishing a new website in April 2017; participating in the EA Regional Advisory Group; contributing to the Youth Service Reform Partnership and organising and facilitating a programme of sector engagement meetings.

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

The current board has extensive background and experience within the Youth Sector and continues to engage with relevant bodies in providing advice on the development of youth services. In March 2018 the Youth Council for NI hosted a Shared Education conference which was attended by 89 policy makers from across the youth sector. To implement the recommendations from the conference, Youth Council for NI facilitated a roundtable discussion, in September 2018, with 28 stakeholders who had expertise in this sector. Input from this event informed advice provided to the Department by Youth Council for NI.
- Insufficient capacity to deliver on statutory functions;**

The Youth Council for NI does not employ any staff following the change in function which took place on 1 April 2016. As a consequence of this it has been necessary for board members to undertake a more operational role. In response to this the Council agreed the provision of a new Board Support Officer with the Department in December 2017. Board Support services continued to be provided throughout 2018-19.
- Failure to maintain appropriate standards of governance**

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

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

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

## **Significant Governance Issues**

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

## **Exit from the European Union**

The Council has been unable to identify any potential impact of EU Exit on the organisation and accordingly has not put any contingency plans or mitigations in place. The Council continues to provide advice to the Department and the EA on the development of the youth service. It is a matter for the EA to assess the potential impact that EU Exit may have either directly or indirectly on the delivery of youth services.

## **Conclusion**

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

## **4. Remuneration and Staff Report**

### **Remuneration report**

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

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

### **Remuneration policy**

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

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

### **Service Contracts**

Youth Council for NI members including the Chairperson and Vice Chairperson are appointed by the Minister. The terms and conditions of service for members remained unchanged throughout 2018-19.

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

**Youth Council for NI Membership  
April 2018 – March 2019**

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

**Remuneration entitlements**

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

**Youth Council for NI Members (Audited)**

<b>Board Members</b>	<b>Remuneration £k</b>	<b>Pension Benefits £k</b>	<b>2018-19 Total £k</b>	<b>Remuneration £k</b>	<b>Pension Benefits £k</b>	<b>2017-18 Total £k</b>
Máire Young Chairperson	15-20	-	15-20	15-20	-	15-20
Herbert Faulkner Vice- Chairperson	5-10	-	5-10	5-10	-	5-10

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

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

## Remuneration

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

## Benefits in kind

No benefits in kind were received by any board members in either 2018-19 or 2017-18.

## Pension Benefits (Audited)

All pension arrangements transferred to the EA as part of the transfer of functions on 1 April 2016.

## Staff Report

### Staff costs

*The following section is subject to audit.*

			<b>March 2018-19</b>	<b>March 2017-18</b>
	<b>Permanently employed staff</b>	<b>Others</b>	<b>Total</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Wages and salaries*	-	-	-	-
Members' Remuneration	-	19,550	19,550	20,513
Social security costs	-	798	798	836
Other pension costs*	-	-	-	-
<b>Total net costs</b>	<b>-</b>	<b>20,348</b>	<b>20,348</b>	<b>21,349</b>

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

## Average number of persons employed

*The following section is subject to audit.*

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

	<b>Permanently employed staff</b>	<b>Others</b>	<b>March 2018-19</b>	<b>March 2017-18</b>
Directly employed*	-	-	-	-
<b>Total</b>	-	-	-	-

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

## Expenditure on consultancy

No expenditure on consultancy was incurred during the year.

## Off-payroll engagements

There were no off-payroll engagements at a cost of over £245 per day in place during 2018-19.

## **5. Assembly Accountability and Audit Report**

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

### **Losses and Special Payments (audited)**

No losses and special payments that require separate disclosure because of their nature or amount were incurred (2017-18: Nil).

### **Remote Contingent Liabilities (audited)**

There are no contingent liabilities.

### **Long Term Expenditure trends**

Providing long term expenditure trends is not appropriate for the Youth Council for NI due to the transfer of functions which occurred on 1 April 2016. The transfer of functions resulted in a significant reduction in the level of financial activity of the Youth Council for NI.

Signed:



Date: 27 June 2019

**D Baker (Accounting Officer)**



## **YOUTH COUNCIL FOR NORTHERN IRELAND**

### **THE CERTIFICATE AND REPORT OF THE COMPTROLLER AND AUDITOR GENERAL TO THE NORTHERN IRELAND ASSEMBLY**

#### **Opinion on financial statements**

I certify that I have audited the financial statements of the Youth Council for Northern Ireland for the year ended 31 March 2019 under the Youth Service (Northern Ireland) Order 1989. The financial statements comprise: the Statement of Comprehensive Net Expenditure, Financial Position, Cash Flows, Changes in Taxpayers' Equity; and the related notes. These financial statements have been prepared under the accounting policies set out within them. I have also audited the information in the Accountability Report that is described in that report as having been audited.

In my opinion the financial statements:

- give a true and fair view of the state of the Youth Council for Northern Ireland's affairs as at 31 March 2019 and of the net expenditure for the year then ended; and
- have been properly prepared in accordance with the Youth Service (Northern Ireland) Order 1989 and Department of Education directions issued thereunder.

#### **Opinion on regularity**

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

#### **Basis of opinions**

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

#### **Other Information**

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

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

## **Opinion on other matters**

In my opinion:

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

## **Responsibilities of the Accounting Officer for the financial statements**

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

## **Auditor's responsibilities for the audit of the financial statements**

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

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

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

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

## **Matters on which I report by exception**

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

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

**Report**

I have no observations to make on these financial statements.

A handwritten signature in black ink that reads "K J Donnelly". The signature is written in a cursive style with a long, sweeping underline.

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

*28 June 2019*

## Statement of Comprehensive Net Expenditure for the year ended 31 March 2019

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

	Note	March 2018-19 £	March 2017-18 £
<b>Total operating income</b>		-	-
Staff costs	3	20,348	21,349
Purchase of goods and services	4	15,004	17,886
Notional costs	5	20,096	22,668
<b>Total operating expenditure</b>		<u>55,448</u>	<u>61,903</u>
<b>Net operating expenditure</b>		<u>55,448</u>	<u>61,903</u>
<b>Net expenditure for the year</b>		<u><b>55,448</b></u>	<u><b>61,903</b></u>

The notes on pages 44 to 50 form part of these accounts.

## Statement of Financial Position as at 31 March 2019

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

	Note	2018-19 £	2017-18 £
<b>Current assets:</b>			
Trade and other receivables	7	-	-
Cash and cash equivalents	8	-	97
<b>Total current assets</b>		-	97
<b>Total assets</b>		-	97
<b>Current liabilities</b>			
Trade and other payables	9	-	5,413
<b>Total current liabilities</b>		-	5,413
<b>Total assets less current liabilities</b>		-	(5,316)
<b>Total non-current liabilities</b>		-	-
<b>Total assets less total liabilities</b>		-	(5,316)
<b>Taxpayer's equity and other reserves</b>			
General reserve		-	(5,316)
<b>Total</b>		-	<b>(5,316)</b>

The financial statements on pages 40 to 43 were shared with the outgoing Chairperson and Vice Chairperson on 6 May 2019. They confirmed these were in line with the activities of the organisation.

  
**Signed:** D Baker (Accounting Officer)  
**Date:** 27 June 2019

The notes on pages 44 to 50 form part of these accounts.

## Statement of Cash Flows

### For the year ended 31 March 2019

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

	Note	2018-19 £	2017-18 £
<b>Cash flows from operating activities</b>			
Net expenditure including notional costs		(55,448)	(61,903)
Adjustments for non-cash transactions	5	20,096	22,668
(Increase)/Decrease in trade & other receivables	7	-	19,144
(Decrease)/Increase in trade payables	9	(5,413)	1,213
<b>Net cash outflow from operating activities</b>		<b>(40,765)</b>	<b>(18,878)</b>
<b>Cash flows from investing activities</b>			
<b>Net cash inflow from investing activities</b>		-	-
<b>Cash flows from financing activities</b>			
Grants from sponsoring department		40,668	18,975
<b>Net financing</b>		<b>40,668</b>	<b>18,975</b>
<b>Net (decrease)/increase in cash and cash equivalents in the period</b>	8	<b>(97)</b>	<b>97</b>
<b>Cash and cash equivalents at the beginning of the period</b>	8	<b>97</b>	<b>-</b>
<b>Cash and cash equivalents at the end of the period</b>	8	<b>-</b>	<b>97</b>

The notes on pages 44 to 50 form part of these accounts.

## Statement of Changes in Taxpayers' Equity For the year ended 31 March 2019

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

	Note	General Fund £	Revaluation Reserve £	Taxpayers equity £
<b>Balance at 1 April 2017</b>		14,944	-	14,944
Grant from sponsoring department		18,975	-	18,975
Comprehensive Net Expenditure for the year		(61,903)	-	(61,903)
Reversal of notional costs	5	22,668	-	22,668
<b>Balance at 31 March 2018</b>		<u>(5,316)</u>	-	<u>(5,316)</u>
Grant from sponsoring department		40,668	-	40,668
Comprehensive Net Expenditure for the year		(55,448)	-	(55,448)
Reversal of notional costs	5	20,096	-	20,096
<b>Balance at 31 March 2019</b>		<u>-</u>	-	<u>-</u>

The notes on pages 44 to 50 form part of these accounts.

# **Notes to the Accounts of Youth Council for Northern Ireland**

## **1. Statement of Accounting Policies**

These financial statements have been prepared in accordance with the 2018-19 Government Financial Reporting Manual (FReM) issued by HM Treasury, as directed by the Department of Finance. The accounting policies contained in the FReM apply International Financial Reporting Standards (IFRS) as adapted or interpreted for the public sector context.

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

In 2018/19 the Department sought legal advice with regards to the appointment of Board Members to the Youth Council for NI, the legal advice confirmed that the Department cannot make new public appointments to the Youth Council for NI. The Youth Council for NI remains in statute and so continues to exist as a corporate entity therefore, as the sponsor body the Department has prepared the accounts on a going concern basis. As soon as a Minister is in place the Department will seek to appoint Board Members and operationalise the Council.

### **1.1 Accounting Convention**

The financial statements have been prepared under the historical cost convention modified to account for the revaluation of property, plant and equipment, intangible assets and inventories.

### **1.2 Financing**

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



### **1.3 Plant and Equipment**

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

### **1.4 Intangible Assets**

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

### **1.5 Foreign Currencies**

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

### **1.6 Value Added Tax**

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

### **1.7 Accounting Estimates**

No material accounting estimates or judgements were made by Youth Council for NI in preparing these accounts. In accordance with IAS 8, the Council has reviewed the standards, interpretations and amendments to published standards that became effective during 2018-19 and which are relevant to its operations. The Council anticipates that the adoption of these standards will have no material impact on its financial position or results of operations.

### **1.8 Financial Instruments**

The Youth Council for NI does not hold any complex financial instruments. The only financial instruments in the accounts are receivables and payables (Notes 7 and 9). Trade receivables are recognised initially at fair value less a provision for impairment. A provision for impairment is made when there is evidence that the

Youth Council for NI will be unable to collect an amount due in accordance with agreed terms.

## 2. Statement of Operating Expenditure by Operating Segment

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

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

## 3. Staff costs\*

	<b>2018-19</b>	<b>2017-18</b>
	<b>£</b>	<b>£</b>
Wages and salaries	-	-
Members' Remuneration	19,550	20,513
Social Security Costs	798	836
Other Pension Costs	-	-
	<hr/> 20,348	<hr/> 21,349

\*Further analysis of staff costs is located in the Staff Report on page 34.

#### 4. Purchase of goods and services

	2018-19	2017-18
	£	£
<b>Council operating costs:</b>		
Meetings/Sector Engagement	373	4,831
Software and stationery	32	5,312
Other professional fees	-	2,475
Board Support	13,737	4,107
Travel and Subsistence - Members	1,055	990
Travel and Subsistence – Other	(296)	-
Storage costs	103	99
Miscellaneous	-	72
<b>Total: Council Operating Costs</b>	<b>15,004</b>	<b>17,886</b>
<b>Total Purchase of goods and services</b>	<b>15,004</b>	<b>17,886</b>

#### 5. Notional Costs

	2018-19	2017-18
	£	£
Notional costs incurred during the year relate to:		
Audit fee	8,070	6,000
Department of Education – Accounts preparation	1,279	1,260
Department of Education – Secretariat support	5,747	10,408
Department of Education – Internal Audit	5,000	5,000
<b>Total Notional Costs</b>	<b>20,096</b>	<b>22,668</b>

#### 6. Financial Instruments

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

## 7. Trade and other receivables

	2018-19	2017-18
	£	£
<b>Amounts falling due within one year:</b>		
Other Taxation and Social Security	-	-
Other receivables	-	-
<b>Total</b>	<u>-</u>	<u>-</u>

## 8. Cash and cash equivalents

	2018-19	2017-18
	£	£
Balance at 1 April	97	-
Net change in cash and cash equivalent balances	(97)	97
<b>Balance at 31 March</b>	<u>-</u>	<u>97</u>

The following balance at 31 March was held at

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

## 9. Trade payables and other current liabilities

	2018-19	2017-18
	£	£
<b>Amounts falling due within one year:</b>		
Other payables	-	296
Other Taxation and Social Security	-	381
Accruals and deferred income - recurring	-	4,736
<b>Total</b>	<u>-</u>	<u>5,413</u>

## **10. Capital Commitments**

The Youth Council for NI had no capital commitments at the Statement of Financial Position date.

## **11. Related Party Transactions**

The Youth Council for NI is a NDPB sponsored by the Department.

The Department is regarded as a related party, and provided grant-in-aid to the Youth Council for NI as a NDPB of the Department and through a Service Level Agreement provided financial and secretariat services, for which the Council was notionally charged. YouthAction NI provided a service to Youth Council for NI in updating the Council's website during 2017-18. This service was not provided during 2018-19. YouthAction NI is regarded as a related party as the Chief Executive of YouthAction NI is a board member of the Youth Council for NI.

Grants and bursaries have not been payable by Youth Council for NI since 1 April 2016 following the transfer of responsibility for regional youth services funding to the EA.

## **12. Pension Arrangements**

All pension arrangements transferred to the EA from 1 April 2016. Prior to this the Youth Council for NI participated in the Northern Ireland Local Government Officers' Superannuation Committee Scheme (The NILGOSC scheme) for the majority of its employees.

## **13. Contingent Liabilities**

There are no contingent liabilities.

## **14. Events After the Reporting Period**

All current Youth Council for NI members' appointments ended on 31 March 2019. In the absence of a Minister as the Head of the Department, new appointments, re-appointments or extensions to the Board of the Youth Council for NI cannot be made.

Consequently the Youth Council for NI, while remaining a statutory body, cannot operate from 1 April 2019 until such time as a new Council can be appointed. The Department will keep the position under review.

**Date Authorised for Issue**

The Accounts were authorised for issue on 28 June 2019.