DEPARTMENT OF FINANCE AND PERSONNEL

# PUBLIC INCOME AND EXPENDITURE ACCOUNT

For the year ended 31 March 2014

An account of the Public Income and Expenditure of Northern Ireland in the year ended 31 March 2014, together with the balance in the Consolidated Fund on 1 April 2013, the receipts and payments (not being public income and expenditure) in the year ended 31 March 2014, and the balance in the Consolidated Fund on that day.

Laid before the Northern Ireland Assembly by the Department of Finance and Personnel under Section 2(2) of the Exchequer and Financial Provisions Act (Northern Ireland) 1950, as amended by Article 3 of the Financial Provisions (Northern Ireland) Order 1998

29 September 2014

Foreword

1 . This account is prepared under Section 2(1) of the Exchequer and Financial Provisions Act (Northern Ireland) 1950, as amended by Article 3 of the Financial Provisions (Northern Ireland) Order 1998.

1. The Northern Ireland Consolidated Fund (NICF) is primarily concerned with cash  movements therefore these accounts are prepared on a receipts and payments rather than an accruals basis. This information is supplemented by the inclusion of a balance sheet.
2. Issues are made to finance Supply services, meet standing services directly charged by Statute and finance NICF borrowings, mainly from the National Loans Fund (NLF).
3. During 2013-2014 expenditure on Supply services amounted to E 14,619m, transfers to district councils in respect of district rates amounted to E537m and interest payments from the NICF amounted to E79m. Expenditure was financed by regional and district rates of El , 138m, interest and other receipts El 94m, and grant under the Northern Ireland Act of E 13,783m.
4. The NICF makes advances for capital expenditure to district councils and other public bodies. Total amounts outstanding at 31 March are shown at Notes 10 and 11. Notes 2 and 3 provide an analysis of miscellaneous receipts into the Fund. Note 14 details the outstanding liabilities which may give rise to a charge on the Fund.
5. The NICF made advances from the Consolidated Fund in respect of Civil Contingencies during the year to NIAUR and DETI. Both NIALJR and DETl repaid the advances (E863k and El 0.8m respectively) in full during the year.
6. The account is audited by the Comptroller and Auditor General for Northern Ireland and his certificate and report appears on pages 12 to 13.

Statement of Responsibilities of the Department of Finance and Personnel and the Accounting Officer

Under Section 2(1) of the Exchequer and Financial Provisions Act (Northern Ireland) 1950 as amended by Article 3 of the Financial Provisions (Northern Ireland) Order 1998, the Department of Finance and Personnel is responsible for the preparation and transmission to the Comptroller and Auditor General, on or before the 30th June after the expiration of every financial year, of accounts showing, by reference to the actual receipt and issue of monies into and out of the account of the Exchequer at the Exchequer bank during that financial year:

* + all public income and expenditure; and  the balance to the credit of the Exchequer at the end of that financial year.

The relevant responsibilities of the Accounting Officer, including his responsibility for the propriety and regularity of the public finances and for the keeping of proper records, are set out in Managing Public Money Northern Ireland issued by the Department of Finance and Personnel.

GOVERNANCE STATEMENT

The Department of Finance and Personnel is one of twelve Northern Ireland departments created as part of the Northern Ireland Executive by the Northern Ireland Act 1998, the Departments (Northern Ireland) Order 1999 and the Northern Ireland Act 1998 (Devolution of Policing and Justice Functions) Order 2010. The Department is governed under a model with the following responsibilities:

* + the Minister for Finance and Personnel reports to the Northern Ireland Executive on all of the functions of the Department;  the Permanent Secretary has responsibility to the Minister for the day-to-day operation of the departmental functions and as Accounting Officer for the managing and controlling of the resources used by the Department; and  the Departmental Board (the Board) provides collective leadership, strategic direction and has responsibility for operational delivery of the functions of the Department.

This Governance Statement, which has been agreed by the Board, sets out how these responsibilities have been discharged during 2013-14.

Context

The context in which the Department's governance arrangements are required to operate is set out in the DFP Coroorate Plan 2012-15 which contains the strategic priorities for DFP over the period. The DFP Business Plan 2013-14 sets out the Department's vision, objectives and targets and how the Department will work to deliver its Departmental level objectives. This plan has been published on the Department's internet site and can be downloaded at www.dfpni.gov.uk.

As the Department with responsibility for securing and allocating the resources available to Northem Ireland through the block grant, DFP plays a key role in fulfilling the Northern Ireland Executive's aim of rebalancing and rebuilding the NI economy and is taking forward a number of key commitments within Proaramme for Government 201 1 - 2015 in this regard, namely:

* continuing to work with the UK government to examine the administrative arrangements and full financial consequences for devolution of the powers to vary the rate of Corporation Tax;  eliminating Air Passenger Duty on long haul flights from Northern Ireland; and  implementing proposals for the rating of commercial properties which includes enhancements to the Small Business Rates Relief scheme and the introduction of a Large Retail Levy.

In addition to these important economic measures, DFP is also taking forward further commitments in relation to:

* providing guidance to Departments on the inclusion of social clauses in procurement contracts for supplies, services and construction;  further reductions in the levels of sickness absence across the Northern Ireland Civil Service; and  improving online access to government services by the citizen.

Accounting Officer

The Permanent Secretary as Departmental Accounting Officer is responsible to the Minister and to the Assembly for the proper handling and reporting of the use of public money by the Department under the main principles set out in Managing Public Money NI and for establishing and maintaining a sound system of internal control for the management of resources under his control.

At the beginning of the financial year, the Accounting Officer delegated responsibility to each of his Directors and Chief Executives for the management of budgets within their respective business areas. He receives formal assurances twice yearly from each Director and Chief Executive on risk management, governance, financial management and delegations within their respective areas of responsibifity in the format of stewardship statements. Key issues emanating from those statements are reflected in this Governance Statement.

Departmental Board

The Accounting Officer chairs the Board which in 2013-14 met on 11 occasions. In addition to the Permanent Secretary, the Board comprises the Departmental Solicitor, Directors and Chief Executives who head the Department's directorates and agency, including the Departmental Directors of Finance and Human Resources.

The Board is further strengthened by the inclusion of two independent members who bring a wide range of skills, experience and external challenge to the work of the Department. Minutes of all Board meetings are published on the departmental website.

During 2013-14 the Board held regular discussions on finance and HR issues, performance against business plan objectives, management of departmental risks and articles for the Staff Brief. In addition, the Board also considered and discussed papers in relation to, for example:

* Staff Satisfaction Survey;  Customer Survey Report;
* Procurement;
* Spend Analysis & Impact on Collaborative Procurement;
* Review of Board Effectiveness;
* Departmental Charging Policy;

 Information Assurance;

* Legislative Programme;
* LPS rate collection;
* Public access to government services;
* Board Operating Framework;
* DFP Risk Appetite Statement;
* NICS People Strategy 2013-16;
* Sustainable Development Action Plan; and  Non-Domestic Revaluation 2015.

It is envisaged that the Board will discuss similar issues covering the breadth of the Department's areas of responsibility during 2014-15.

The Board is fully committed to the highest standards of corporate governance and complies to the relevant extent with the best practice set out in "Corporate governance in central government departments: Code of good practice (NI) 2013" issued under DAO (DFP) 06/13 in April 2013.

Attendance of non-executive and executive members at Board meetings during 2013-14:

Number of Meetings attended

Non-executive members

Stephen Hodkinson

Dolores O'Reilly Executive members

Stephen Peover

Des Armstrong

Anne Breen

Michael Brennan

Norman Caven

Brendan Fitzpatrick

Colin Lewis

Bill Pauley

Oswyn Paulin Colin Sullivan

Paul Wickens

John Wilkinson

Brigitte Worth

A formal review of the Board's effectiveness, including a review of the quality of data received, was conducted during 2013-14 by the Corporate Improvement Centre using the DFP Quality Programme. An Improvement Plan was drawn up and agreed by the Board and is currently being implemented.

Declarations of Interest

Departmental HR maintains a "Register of Interests" for members of the Senior Civil Service, including both Executive and non-Executive Directors on the DFP Board. Declarations include anything which may give rise to conflict with the position of Board member, including:

* Private occupations, such as sitting on the boards of other public bodies;  Payment for private work;
* Relationships with suppliers and/or consultants with whom DFP does business;
* Gifts or benefits received in connection with work in DFP;  Membership of professional institutes and/or committees; and  Any other interests that could have a conflict.

For 2013-14, the Accounting Officer has been provided with assurance that no Board members have declared any conflict of interest with the business of the Department.

Relationships with Agencies and Other Bodies

The Permanent Secretary has designated the Chief Executive of the Northern Ireland Statistics and Research Agency (NISRA) as Agency Accounting Officer with responsibility for the propriety and regularity of Agency expenditure.

During 2012-13, the Minister announced arrangements for LPS to cease to exist as an Executive Agency from 1 April 2013 and instead to deliver the same functions as a core directorate within the Department. This change in status has had no practical impact on the governance arrangements for either DFP or LPS.

The Department also has joint responsibility for one North/South body, Special European Union Programmes Body (SEUPB). SEUPB is a grant aided body and expenditure is accounted for in the departmental accounts via the issue of a grant.

The Chief Executive Officer of SEUPB is the Accountable Person responsible for the efficient and effective administration of the Body. The responsibilities of the Chief Executive are set out in the Financial Memorandum and include ensuring that appropriate financial and other management controls are in place to safeguard public funds and conform to the requirements of propriety, regularity and financial management.

The Chief Executive Officer is responsible for signing the SEUPB accounts and ensuring they are prepared in accordance with relevant guidance.

Departmental Audit and Risk Committee

The Departmental Audit and Risk Committee (DARC) supports the Accounting Officer and the Board on issues of risk, control and governance. In addition, DARC provides assurances and advice to the Accounting Officer on the adequacy of audit coverage both internal and external. DARC is chaired by one of the independent members and operates under the best practice guidance contained within the Audit and Risk Assurance Committee Handbook (NI) issued under DAO (DFP) 05/14 in March 2014.

The Committee met on 4 occasions during the course of 2013-14. The Corporate Risk Register was provided to all meetings and the Committee reviewed in detail departmental level risks in relation to:

* Departmental budgets and managing the risk of over and under spends;  Levels of collection and debt recovery in relation to domestic and nondomestic rates;
* Levels of sickness absence within both the NICS and DFP;
* Implementation of the interim rate rebate scheme;
* Levels of assurance in relation to information risk within both NICS and DFP;  Regularity of payments in relation to EU Programmes 2007-13 for which DFP is the Accountable Department; and  Equal Pay vulnerabilities.

The risk profile for the Department has also been reviewed regularly by the Board and DARC, and during the course of the year new controls and management actions have been put in place to mitigate the risks and to minimise the impact should they materialise. This has resulted in the re-grading of risk status, and the inclusion and removal of risks at departmental level as necessary. Several risks have been managed to the extent where they have been removed from the risk register, these include:

 Procurement guidance in relation to Social Clauses in contracts; and  Levels of assurance in relation to information risk within DFP.

The Departmental Board agreed a Risk Appetite Statement which articulates the amount of risk the Department is prepared to accept, tolerate or be exposed to in pursuit of its strategic objectives or from other inherent issues which although not directly linked to the strategic objectives have an impact on the risk profile of the Department.

In addition to the risk register, the DARC considered papers in relation to a range of corporate governance and internal control issues, including, for example:

* Progress against internal audit plans and development of future plans;
* Progress against internal audit recommendations;
* Departmental Resource Accounts;
* Stewardship Statements provided by all Business Area Directors;
* Reports to Those Charged with Governance and Value for Money reports provided by NI Audit Office;
* Accountability Grids in relation to Public Accounts Committee recommendations; and
* Fraud and whistleblowing.

The Chair of the DARC periodically provides a paper to Departmental Board, the latest in July 2013, outlining the work undertaken by the Committee and providing assurance on the systems of internal control in operation across DFP.

A review of DARC effectiveness was undertaken in February 2014, utilising a National Audit Office Audit Committee self-assessment checklist. An Improvement Plan was drawn up and agreed by the DARC and is currently being implemented.

All meetings of DARC are attended by representatives from the Northern Ireland Audit Office (NIAO) and the Chair of the Committee holds independent meetings separately with the NIAO and Head of Internal Audit to discuss any particular issues of concern.

Financial Management

Financial Management reporting to the Board plays a significant part in the effective monitoring and management of the Department's financial performance. The Board regularly reviews actual income and expenditure against budgets to form the basis of collective Board decisions about the allocation and use of resources and to ensure that the Department's financial management target of avoiding overspend and managing underspend within a tolerance of 1.5% is met.

The Finance Director provides monthly financial management reports to the Board and provides advice and recommendations on the allocation of departmental resources. This is supported by business areas providing actual and forecast information and analysis of variance against budgets which enables the Board to assess the extent to which corrective action is needed to address the Department's financial position.

Governance and Control Framework

The Department's Governance and Control Framework is the system by which the work of the Department is directed and controlled. This includes how the Department plans, sets and monitors achievement of its corporate objectives, how the risks to the achievement of those corporate objectives are identified and managed and what controls are in place to provide assurance that the Board is in control of the risks to achieving the stated objectives.

The Governance and Control Framework contains advice and guidance to business areas on corpörate governance and financial management including the approvals necessary for various types of expenditure. It also contains sources of information on the departmental approach to issues such as anti-fraud measures, charging, information security, procurement and whistleblowing arrangements.

A key element of the Governance and Control Framework is the DFP Policy and Framework for Risk Manägement which sets out the approach to the identification and management of risk at all levels across the Department. The Departmental Board regularly reviews and manages departmental risks on the Corporate Risk Register, by evaluating each risk to determine the likelihood and impact of the risk occurring, and ensuring that controls and mitigating actions are in place. The Corporate Risk Register is supported by further risk registers at Directorate and Agency level.

Departmental Performance

The DFP Operational Plan 2013-14 sets out the targets and objectives for the year against which performance is reported and monitored. Progress has been reported quarterly to the Board as part of the Corporate Performance Report using a RAG status assessment of each target and narrative on the actions taken to deliver the expected outcomes.

As part of the Corporate Performance Reports, the Board also receives, thoroughly reviews and seeks improvements to information on key departmental statistics in relation to performance in responding to Assembly Questions, FOI and Data Protection requests, prompt payment to suppliers, workforce planning, resourcing and absence management, procurement and contract activity and expenditure on areas of interest such as external consultancy and hospitality.

Progress against targets in the Operational Plan is also reported twice yearly to the Minister and scrutinised by the Committee for Finance and Personnel at oral evidence sessions with the Permanent Secretary. Other key senior officials also attend evidence sessions on specific areas of departmental business as requested by the Committee.

The Department's Programme for Government commitments have been reported on a quarterly basis to the Office of the First Minister and Deputy First Minister (OFMdFM), and where necessary, further information has been provided of the mitigating actions being taken to minimise the risk of failure to deliver the desired outcomes.

The Operational Plan is supported by lower level plans at Directorate, Agency and Divisional level and is cascaded further into individual staff Personal Performance Agreements.

Level of Assurance

The Accounting Officer is responsible for reviewing the effectiveness of the system of internal control. This review is informed by the information provided in stewardship statements from Directors bi-annually. These stewardship statements are based on assurances provided by managers within business areas on risk management, financial management, compliance with approvals and delegations and on the implementation of Internal Audit recommendations. Further assurance is provided by the Head of Intemal Audit on compliance with the controls and actions recommended in audit assignments which have been conducted.

The Department's internal audit function has conducted a programme of work during 2013-14 which has enabled the provision of assurances on the systems of internal control in operation across the Department. The reports by internal audit to senior managers provide an objective and independent assessment of the systems of internal control in operation across DFP together with prioritised recommendations to strengthen controls and implement further improvements.

An Extemal Quality Assessment of the DFP Internal Audit Service and Corporate Governance arrangements was undertaken during 2012. The review confirmed that the Internal Audit Service is being provided in line with government standards. All recommendations have now been implemented and progress was reported regularly to DARC.

In his Annual Assurance Report, the Head of Internal Audit provided an overall satisfactory level of assurance on the governance, risk management and control arrangements across DFP. A synopsis of the main findings from each audit was provided to DARC, and the majority of audits were provided with a satisfactory, and in some cases, a substantial audit opinion.

In 2012-13 Internal Audit carried out a review of Government Accounts Branch. The purpose of the review was to provide the Accounting Officer, via divisional management, with an opinion on the adequacy and effectiveness of the system of internal control, established by management, to facilitate the achievement of business objectives.

The scope of the audit encompassed a review of the following activities:

* Cash Supply;
* Investments;
* Paymaster General Account and NI Consolidated Fund;  Govemment Lending System; and
* Review of Risk and Control Frameworks for all system areas.

The report was published in February 2014 and Govemment Accounts Branch were given a satisfactory assurance.

The DARC now receives a summary position of the Recommendations Register, which details all agreed Intemal Audit Recommendations, at each meeting. Responsibility for maintenance of this register has now moved from Internal Audit to Business Planning and Corporate Governance Branch. The format of the reporting is still evolving but the process is supporting DARC in identifying those recommendations which are past due or which require further discussion at DARC

The Departmental Security Officer ensures that the risks in relation to personal, physical and IT security are being managed and has conducted routine inspections of building and office security reporting breaches to senior management for appropriate action.

The Senior Information Risk Owner (SIRO) is a member of the Board and has regularly reported on information risk at departmental level. She has established an approach to information assurance risk management which includes the creation and maintenance of information risk registers by each Director and Agency Chief Executive within their respective business areas. The assessment of information risks has been conducted against the HMG Information Assurance Maturity Model and has been validated by Internal Audit.

The SIRO is supported by a governance structure which includes a dedicated Information Assurance Team, Internal Audit, IT Security Officer and Departmental Accreditor with responsibility for the IT security, audit and accreditation of all departmental IT systems and NICS-wide shared services in line with Cabinet Office guidelines.

No reportable data breaches were identified between 1 April 2013 and 31 March 2014. However, on 3 April 2014 one breach was reported to the Information Commissioner's Office (ICO). A review of the circumstances of this breach was undertaken and the ICO decided that no further action was required.

Fraud prevention and awareness

The DFP Fraud Working Group continued to meet and correspond during 2013-14 to consider issues in relation to fraud, raise awareness of anti-fraud measures and disseminate information pertinent to the prevention and detection of fraud. During 2013-14 business area fraud risk assessments were commissioned, development of a departmental Fraud Risk Register was commenced and revised procedures for the handling of suspected frauds in Account NI were prepared and circulated, with a view to streamlining and preventing duplication of reporting and investigation. A review of the DFP Anti Fraud Policy and Response Plan policy is currently being undertaken in conjunction with DHR. In addition, a paper on the development of the Department's strategic approach to the investigation of alleged fraud was presented at the February Departmental Board.

The Department takes a zero tolerance approach to fraud, reporting instances of fraud to the police as necessary. The Department also participates fully in the National Fraud Initiative by investigating matches in relation to payroll, pensions, trade creditors, rates and housing benefit data.

Whistleblowing arrangements are in place and can be used to raise concerns about alleged impropriety, wrongdoing, corruption, fraud or malpractice.

NIAO Value for Money Reports

The Northern Ireland Audit Office has completed one value for money study within DFP during 2013-14 namely, Account NI: Review of a Public Sector Financial Shared Service, and a Public Accounts Committee (PAC) evidence session was held on 22 January 2014. Two further value for money studies which impacted on DFP were completed during 2013-14 namely, Sickness Absence in the NI Public Sector (published 23 April 2013) and Future Impact of Borrowing and PFI Commitments (published 14 January 2014). A PAC evidence session on the Collaborative Procurement and Aggregated Demand report published in 2012-13 also took place on 5 June 2013. As with all previous value for money studies and PAC sessions relating to DFP the Department continues to address the risks to value for money and action the recommendations made.

Conclusion

Taking into account all of the arrangements set out in this Governance Statement, the Department has effective corporate governance structures in place and has satisfactory systems of internal control which have operated effectively during 201314.

APPROVED AND SIGNED

DAVID TERI-ING

Accounting Officer

Department of Finance and Personnel

'2-3 September 2014

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

I certify that I have audited the financial statements of the Public Income and

Expenditure account for the year ended 31 March 2014 under the Exchequer and Financial Provisions Act (Northern Ireland) 1950. These comprise the statements of Public Income and Expenditure, Capital Receipts and Issues, Balance Sheet and the related notes. These financial statements have been prepared on a cash basis.

Respective responsibilities of Accounting Officer and auditor

As explained more fully in the Statement of Responsibilities of the Department of Finance and Personnel and the Accounting Officer, they are responsible for the preparation of the financial statements and for being satisfied that they properly present the receipts and payments during the year. My responsibility is to examine, certify and report on the financial statements in accordance with the Exchequer and Financial Provisions Act (Northern Ireland) 1950. I conducted my audit in accordance with International Standards on Auditing (UK and Ireland). Those standards require me and my staff to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Public Income and Expenditure's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Department of Finance and Personnel and the overall presentation of the financial statements. In addition I read all the financial and nonfinancial information in the Foreword to identify material inconsistencies with the audited financial statements. If I become aware of any apparent material misstatements or inconsistencies I consider the implications for my certificate.

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

Opinion on Regularity

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

Opinion on financial statements

In my opinion:

* the financial statements properly presents the receipts and payments of the Public Income and Expenditure account for the year ended 31 March 2014 and the balances at that date: and  the financial statements have been properly prepared in accordance with the Exchequer and Financial Provisions Act (Northern Ireland) 1950 as amended by Article 3 of the Financial Provisions (NI) Order 1998.

Opinion on other matters

In my opinion:

* the information given in the Foreword to the Accounts for the Financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which I report by exception

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

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

Report

I have no observations to make of these financial statements.



KJ Donnelly

Comptroller and Auditor General Northern Ireland Audit Office 106 University Street

Belfast

BT7 IEU

Date 26 September 2014

## PUBLIC INCOME AND EXPENDITURE

|  |  |  |  |
| --- | --- | --- | --- |
|  |  |  | 2012-13 |
| PUBLIC INCOMEReceipts from the United Kingdom GovemmentRegional and District Rates Received |  | EOOO | EOOO |
| Interest Received | 1 | 68,823 | 75,401 |
| Other Central Receipts | 2 | 8,972 | 9,294 |
| Other Departmental Receipts | 3 | 1 16,699 | 81,132 |

|  |  |  |  |
| --- | --- | --- | --- |
| PUBLIC EXPENDITURE |  |  |  |
| Payment of Supply to Departments (a) |  | 14,619,185 | 14,467 ,308 |
| Transfer of District Rates to Local Councils |  | 536,670 | 515,693 |
| Interest Paid on Public Debt | 4 | 79,306 | 84,334 |
| Other ServicesTOTAL PUBLIC EXPENDITURE | 5 | 9,099 | 8,768 |

|  |  |  |
| --- | --- | --- |
| EXCESS OF PUBLIC INCOME OVER PUBLIC EXPENDITURE (PUBLIC |  |  |
| EXPENDITURE OVER PUBLIC INCOME) | (128,669) | (89,161) |

TOTAL PUBLIC INCOME 15,115,591 14,986,942

(a) Of this E48.5m relates to prior year supply monies (31 March 2013: 236.7m). At 31 March 2014, the balance of grants for Supply services remaining unissued from the Consolidated Fund was 2960m (31 March 2013: E 1,029m).

## CAPITAL RECEIPTS AND ISSUES

CAPITAL RECEIPTS 

Public Debt - Sums Borrowed 6

Loan Repayments Received 7 Amounts Returned from Temporary Investment

Repayment of Advances from NI Consolidated Fund

Excess of Public Income over Public

Expenditure

TOTAL CAPITAL RECEIPTS

CAPITAL ISSUES

Public Debt — Sums Repaid 8

Issue of Government Loans 9

Amounts Placed on Temporary Investment

Issue of Advances from the NI Consolidated Fund

Excess of Public Expenditure over Public

Income

TOTAL CAPITAL ISSUES

EXCESS OF CAPITAL RECEIPTS OVER

CAPITAL ISSUES 1 (EXCESS OF CAPITAL

### ISSUES OVER CAPITAL RECEIPTS)

2012-13

EOOO

 222,475 176,966

 89,148 92,707



 1 1 ,683 369



 156,031 145,775

 26,479 35,036



 11 ,683 369

 128,669 89,161



|  |  |
| --- | --- |
| 444 |  |

### BALANCE SHEET

2012-13 eooo

ASSETS

 Outstanding Loans 10 902,578 965,248

 Balance in the Consolidated Fund 12 465 21

|  |  |
| --- | --- |
| 903,043 | 965,269 |
|  |  |
| 1778,952 |  |
|  |  |
|  |  |
| (875,909) | (747,240) |

TOTAL ASSETS

LIABILITIES

 Public Debt 13

TOTAL LIABILITIES

NET ASSETS/(LIABILITIES)

|  |  |  |
| --- | --- | --- |
| Net Liabilities at 1 April | (7471240) | (658,079) |

Excess of Public income over Public Expenditure I (Excess of Public Expenditure over Public Income) (128,669) (89,161)

NET LIABILITIES AT 31 MARCH (875,909) (747,240)

3

DAVID STERLING

Accounting Officer

Department of Finance and Personnel

2014

NOTES TO THE ACCOUNT

1. ANALYSIS OF INTEREST RECEIVED

 2013-14 2012-13

 EOOO EOOO

Interest Received on Loans from the Consolidated

Northern Ireland Housing Executive 40,239 46,523

Former New Towns Commissions 1 ,206 Temporary Investments 28 18



Interest Received on Government Loans

|  |  |  |
| --- | --- | --- |
| Local Councils | 23,465 | 23,566 |
| Port & Harbour Authorities | 83 | 82 |
| Northem Ireland Housing Executive | 3,502 | 3,675 |
| Housing Associations | 1 | 2 |
| Schools | 328 | 329 |



Total Interest Received 

|  |  |  |
| --- | --- | --- |
|  | 2013-14 | 2012-13 |
|  | EOOO | EOOO  |
| OFCOM |  | 7,541 |
| Northern Ireland Housing Executive | 85 | 80 |
| Miscellaneous | 4 | 39 |
| Continental Shelf | 1 ,709 | 1,634 |

1. ANALYSIS OF OTHER CENTRAL RECEIPTS

Total Central Receipts 8,972 9,294

NOTES TO THE ACCOUNT (CONTINUED)

1. ANALYSIS OF OTHER DEPARTMENTAL RECEIPTS

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| Department | Misc Non- | ExcessAccruingResources | Misc EU | Total2013-14 |  | Total2012-13 |
|  | EOOO | EOOO | EOOO | EOOO |  | EOOO |
| Agriculture & Rural Development | 635 |  | 225 | 860 |  |  |
| Culture, Arts & Leisure | 31 | 20 |  | 51 |  | 309 |
| Education | 3,812 | 867 | 1 ,880 | 6,559 |  | 8,878 |
| Enterprise, Trade & Investment | 456 |  | 683 | 1,139 |  |  |
| Environment | 133 | 390 |  | 523 |  | 830 |
| Emplo ment & Learnin | 3,745 |  | 1 ,677 | 5,422 |  | 3,933 |
| Finance & Personnel | 12,626 |  | 3,85 | 16,481 |  | 5,529 |
| Health, Social Services & Public Safe | 62,932 |  |  | 62,932 |  | 35,421 |
| Re ional Develo ment | 499 |  | 1 , 457 | 1 ,956 |  | 2,458 |
| Social Development | 12,146 |  | 1 1 |  |  | 9,222 |
| Northern Ireland Assembl |  | 50 |  | 50 |  |  |
| Northem Ireland Audit Office | 1 | 99 |  | 100 |  | 398 |
| Northem Ireland Authority fo Utili Re ulation | 271 |  |  | 271 |  | 1 ,300 |
| Office of the First Minister & De u First Minister | 409 |  |  | 409 |  | 227 |
| Assembly Ombudsman &Commissioner forComplaints | 1 |  |  | 1 |  | 1 |
| Justice | 6,609 | 1 ,17 |  | 7,788 |  | 9,407 |
| Public Prosecution Service |  |  |  |  |  |  |
| Total Departmental Receipts | 104,30 | 2,60 | 9,788 | 116,699 |  | 81,132 |

1. INTEREST PAID

2013-14

EOOO

National Loans Fund

|  |  |  |
| --- | --- | --- |
| Advances From National Loans FundAdvances From National Loans Fund in respect of the | 31 ,976 | 38,801 |
| Reinvestment and Reform Initiative (RRI) | 47 , 246 | 45,440 |

|  |  |
| --- | --- |
| 79,222 | 84,241 |
| 5430 | 5637 |
| 84 | 93 |
|  |  |
| 79,306 | 84,334 |

Other

Ulster Savings Certificates

Internal Departmental Funds

Total Interest Paid

1. ANALYSIS OF OTHER SERVICES

 2013-14 2012-13

 EOOO EOOO

Payment of Statutory Salaries 8,824 8,447

Pensions and Other Allowances 206 321

|  |  |
| --- | --- |
| 9,030 | 8,768 |
| 69 |  |
| 69 |  |
|  |  |
| 9,099 | 8,768 |

Thiepval War Memorial Fund

Total Other Services

1. ANALYSIS OF SUMS BORROWED IN THE YEAR

 2013-14 2012-13

 EOOO EOOO

National Loans Fund in respect of the Reinvestment and

Reform Initiative (RRI) (a) 195,936 150,936

Internal Departmental Funds 26,539 26,030

Total Sums Borrowed 

(a) At 31 March 2014, undrawn borrowings in respect of RRI amounted to Elli .9m (31 March 2013: E107.8m)

7. LOAN REPAYMENTS RECEIVED

2013-14

EOOO

Repayment of Consolidated Fund Loans

Northern Ireland Housing Executive 68,312

2,693

357

62,792

10

249

9

217

Former New Towns Commissions 329

68,641

Repayment of Government Loans

Local Councils

Northem Ireland Housing Executive

Housing Associations

Schools

Port and Harbour Authorities 288 278



|  |  |
| --- | --- |
| 89,148 | 92,707 |

Total Loan Repayments Received

1. ANALYSIS OF LOANS REPAID

 2013-14 2012-13

 EOOO EOOO

National Loans Fund

National Loans Fund 69,593 77,410

National Loans Fund in respect of the Reinvestment and

Reform Initiative (RRI) 57,615 46,1 19



Other

Ulster Savings Certificates 20 47

Internal Departmental Funds 28,803 22,199



|  |  |
| --- | --- |
| 156,031 | 145,775 |

Total Loans Repaid

1. GOVERNMENT LOANS ISSUED IN THE YEAR

|  |  |  |
| --- | --- | --- |
|  | 2013-14EOOO |  |
| Local Councils | 24,017 | 34,450 |
| Port and Harbour Authorities | 1,700 |  |
| Schools | 762 | 586 |

|  |  |
| --- | --- |
| 26,479 | 35,036 |
| 2013-14EOOO398,07213,415 | 2012-13EOOO460,86413,773 |
| 411 ,487 | 474,637 |
| 435,92446,3983,481185,270 | 434,54449,2132,069284,757 |
| 491,091 | 490,611 |
|  |  |
| 902,578 | 965,248 |

Total Government Loans Issued

1. ANALYSIS OF LOANS OUTSTANDING

Consolidated Fund Loans

Northem Ireland Housing Executive

Former New Towns Commissions Total Consolidated Fund Loans

Government Loans

Local Councils

Northern Ireland Housing Executive

Port and Harbour Authorities

Housing Associations

Schools

Total Government Loans (Note 11)

Total Loans Outstanding

In addition to the assets listed above a loan from the Consolidated Fund to the Northern Ireland Housing Executive which is treated as public expenditure was outstanding. This amounted to EO.54m at 31 March 2014 (31 March 2013: EO.63m).

NOTES TO THE ACCOUNT (CONTINUED)

11. ANALYSIS OF GOVERNMENT LOANS OUTSTANDING

|  |  |  |
| --- | --- | --- |
|  | 2013-14 | 2012-13 |
| Local Councils | EOOO | EOOO |
| Antrim Borough Council |  | 14,248 |
| Ards Borough Council | 5,053 | 5,523 |
| Armagh District Council | 26,074 | 27,664 |
| Ballymena Borough Council | 24,592 | 25,459 |
| Ballymoney Borough Council | 10,486 | 9,981 |
| Banbridge District Council |  | 20,641 |
| Belfast City Council | 23,937 | 24,688 |
| Carrickfergus Borough Council | 21 ,674 | 21,187 |
| Castlereagh Borough Council | 18,293 | 18,473 |
| Coleraine Borough Council | 18,493 | 20,080 |
| Cookstown District Council | 1 ,295 | 1 ,374 |
| Craigavon Borough Council | 1 ,345 | 1 ,407 |
| Derry City Council | 31 ,538 | 25,810 |
| Down District Council | 30,370 | 27,216 |
| Dungannon District Council | 4,450 | 4 , 873 |
| Fermanagh District Council | 2,619 | 2,975 |
| Larne Borough Council | 19,286 | 17,582 |
| Limavady District Council | 13,155 | 12,282 |
| Lisbum City CouncilMagherafelt District Council | 17,997 | 18,997 |
| Moyle District Council | 8,786 | 8,324 |
| Newry and Mourne District Council | 21,747 | 20,145 |
| Newtownabbey District Council |  | 44,629 |
| North Down Borough Council | 47 ,664 | 49,430 |
| Omagh District Council | 8,758 | 9,356 |
| Strabane District Council | 3,120 | 2,200 |

|  |  |
| --- | --- |
|  | 434,544 |
|  |  |
|  | 49,213 |
| 5942,887 | 690,379 |
| 3,481 | 2,069 |
|  |  |
| 18 | 28 |
|  |  |
| 5,270 | 4,757 |
|  |  |
| 491 ,091 | 490,611 |

Total Local Councils

Northern Ireland Housing Executive

Port and Harbour Authorities

Warrenpoint Harbour Authority

Londonderry Port and Harbour Authority

Total Port and Harbour Authorities

Housing Associations

Schools

TOTAL GOVERNMENT LOANS OUTSTANDING

NOTES TO THE ACCOUNT (CONTINUED)

#### 12. RECONCILIATION OF CASH HELD IN THE CONSOLIDATED FUND BANK ACCOUNT

 2013-14 2012-13

 EOOO EOOO

Balance in the Consolidated Fund at 1 April 21 320

Excess of Capital Receipts over Capital Issues I

(Excess of Capital Issues over Capital Receipts) 444 (299)

#### Balance in the Consolidated Fund at 31 March 465 21

#### 13. ANALYSIS OF PUBLIC DEBT

|  |  |  |
| --- | --- | --- |
|  | 2013-14 | 2012-13 |
| National Loans Fund | EOOO | EOOO |
| National Loans FundNational Loans Fund of the Reinvestment and | 372,475 | 442,069 |

in respect

Reform Initiative (RRI) 1,254,161

Other

Ulster Savings Certificates (a)

Ulster Development Bonds

Internal Departmental Funds(b)

Total Public Debt 

1. An additional E3.5m (31 March 2013: E3.5m) of public debt, relating to interest on Ulster Savings Certificates, is liable to be paid as and when certificate holders redeem their savings.
2. An additional 20.09m of public debt, relating to interest on Internal Departmental Funds, is liable to be paid as and when landowners reclaim their ground rent payments.

NOTES TO THE ACCOUNT (CONTINUED)

#### 14. STATEMENT OF CONTINGENT LIABILITIES OF THE NORTHERN IRELAND CONSOLIDATED FUND

This statement summarises actual and contingent liabilities of the Northern Ireland Consolidated Fund reported by the Northern Ireland Departments, excluding:-

1. cases involving E250,000 or less
2. cases arising in the normal course of Departments' business

|  |  |  |  |
| --- | --- | --- | --- |
| Statute | Nature of Liability | AmountOutstanding at 31 .3.14 | AmountOutstanding at31 .3.13 |
|  |  |  |  |
| Statutory Liabilities Charged Directly on the NI Consolidated Fund |  |  |
| Local Government LC (ND Order 1972 | Disputed recovery action on verpayment of resource lement of General Grant inFinancial ear 1997/98 |  | 0.7 |
|  |  |  |  |
| Non-Statuto Liabilities Char ed to Votes |  |  |
| s part of the arrangements for the transfer of training centres to Further Education Colleges, the Department of Employment and Learning agreed that, for staff transferred who become redundant in the future, it would fund any difference betwee.n their redundancy payment and that which they would have received had the remained in the Northern Ireland Civil Service. | Unquantifiable | Unquantifiable |
| Department of Culture, Arts and Leisure Contingent Liability relating to potential legal action and winding-up costs of Northern Ireland Events Compan | 0.2 | 0.3 |
| Department of Culture, Arts and Leisure ContingentLiability relating to Northern Ireland Events Company Limited | Unquantifiable | Unquantifiable |
| Department of Culture, Arts and leisure Contingent Liability relating to the curtailment of certain fishing rights and in relation to potential EU infraction procedures. |  | Unquantifiable |