

STATEMENT OF ACCOUNTS

Comprising Council Areas:

Derry City Council

Omagh District Council

Strabane District Council

NW Peace III Joint Committee

For the year ended 31st March 2015

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Explanatory Foreword

Introduction

The Joint Committee's financial performance for the year ended 31st March 2015 is as set out in the Comprehensive Income and Expenditure Statement and its financial position is as set out in the Balance Sheet and Cash Flow Statement.

These financial statements have been prepared in line with the Code of Practice on Local Authority Accounting in the United Kingdom Year to 31 March 2015 (the Code) and the Department of the Environment Accounts Direction, Circular LG 14/15. It is the purpose of this foreword to explain, in an easily understandable way the financial facts in relation to the Joint Committee.

This Statement of Accounts explains the Joint Committee's finances during the financial year to 31 March 2015 and its financial position at the end of that period. It follows approved accounting standards and is necessarily technical in parts.

Group Accounts

The Code requires Local Authorities to consider all their interests and to prepare a full set of group financial statements where they have material interests in subsidiaries, associates or joint ventures. NW Peace III Joint Committee does not have material interests in such bodies and accordingly is not required to prepare group financial statements.

Financial Report

The Financial Statements for the year ended 31st March 2015 have been prepared in line with The Code of Practice on Local Authority Accounting in The United Kingdom year to 31 Mar 2015 (the Code) and the Department of the Environment Accounts Direction, Circular LG 14/15. It is the purpose of this foreword to explain, in an easily understandable way the financial facts in relation to the Joint Committee for this period. However, the Financial Statements follow approved Accounting standards and are necessarily technical in parts.

The financial statements explain the Joint Committee's finances during the financial year ended 31st March 2015 and its financial position at the end of that year.

The following statements provide further information:

- The Movement in Reserves Statement, as set out on page 15, shows the movement in the period on the different reserves held by the Joint Committee. The surplus or (deficit) on the provision of services line shows the true economic cost of providing the Joint Committee's services.
- The Comprehensive Income and Expenditure Statement, as set out on page 16, shows the income earned and the expenditure incurred during the period by the Joint Committee in accordance with generally accepted accounting practices. This includes details of funding received from Government bodies and participating Councils, together with details of administrative expenditure incurred by the Joint Committee and financial assistance provided to beneficiaries.
- The Balance Sheet, as set out on page 17, shows the value as at the Balance Sheet date of the Joint Committee's assets and liabilities. The net assets of the Joint Committee (assets less liabilities) are matched by the reserves held by the Joint Committee.
- The Cash Flow Statement, as set out on page 18, shows the changes in cash and cash equivalents of the joint committee during the reporting period. The statement shows how the Joint Committee generates and uses cash and cash equivalents by classifying cash flows as operating, investing and financing activities.

For the year ended 31st March 2015 the Joint Committee accounted for grant income of £1,002,188, Council contributions of £-1,670 and incurred total costs of £1,000,518. The financial activities of the Joint Committee are wholly funded by Government Bodies and the participating Councils, therefore resulting in a £nil surplus/deficit for the period.

Legislative Context for Preparation and Audit of the Financial Statements

The Local Government (Northern Ireland) Order 2005, Article 3, defines a joint committee of two or more councils to be a local government body and provides that:

The accounts of every local authority government body shall be:

- a) made up to the end of each financial period; and
- b) audited in accordance with this Part by a local government auditor designated by the Department, after consultation with the Comptroller and Auditor General for Northern Ireland’.

Article 24 of the Local Government (Northern Ireland) Order 2005 provides that the Department may issue regulations as to accounts and audit. In this regard the Local Government (Accounts and Audit) Regulations (Northern Ireland) 2006 were made on 7 March 2006.

The Accounts Direction, issued by the Department of the Environment on 1st April 2015 under Regulation 4 of the Local Government (Accounts and Audit) Regulations 2006 requires the Joint Committee to prepare accounts. These financial statements cover the year from 1st April 2014 to 31st March 2015 and have been prepared in compliance with the Direction.

The Joint Committee ceased to exist on 31st December 2014 and these accounts will be the final accounts.

**Statement of the Joint Committee's and the Chief Financial Officer's
responsibilities for the Statement of Accounts**

The Joint Committee's Responsibilities

Under Section 1 of the Local Government Finance Act (Northern Ireland) 2011 a Council shall make arrangements for the proper administration of its financial affairs. A council shall designate an officer of the council as its Chief Financial Officer. Arrangements made by a council for the proper administration of its financial affairs shall be carried out under the supervision of its Financial Officer. The Joint Committee has adopted a similar arrangement and the Chief Financial Officer for the Administrative (Lead) Council undertakes equivalent duties for the Joint Committee.

Under Regulation 5 of the Local Government (Accounts and Audit) Regulations (Northern Ireland) 2006 the Joint Committee is required by resolution to approve the accounts.

These accounts were approved by the Joint Committee on 29th June 2015.

The Chief Financial Officer's Responsibilities

Under Regulation 4(1) of the Local Government (Accounts and Audit) Regulations (Northern Ireland) 2006, the Chief Financial Officer is responsible for the preparation of the Joint Committee's Statement of Accounts in the form directed by the Department of the Environment.

The accounts must give a true and fair view of the income and expenditure for the financial period and the financial position as at the end of the financial period.

In preparing this Statement of Accounts, the Chief Financial Officer is required to:-

- observe the Accounts Direction issued by the Department of the Environment including compliance with the Code of Practice on Local Authority Accounting in the United Kingdom as amended and augmented from time to time as appropriate;
- follow relevant accounting and disclosure requirements and apply suitable accounting policies on a consistent basis; and
- make judgements and estimates that are reasonable and prudent.

The Chief Financial Officer is also required to:-

- keep proper accounting records that are up-to-date; and
- take reasonable steps for the prevention and detection of fraud and other irregularities.

Governance Statement

Introduction

The NW PEACE III Joint Committee is responsible for ensuring that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for, and used economically, efficiently and effectively. The NW PEACE III Joint Committee also has a duty under Local Government (Best Value) Act (NI) 2002 to make arrangements for continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.

In discharging this overall responsibility, the NW PEACE III Joint Committee is responsible for putting in place proper arrangements for the governance of its affairs and facilitating the effective exercise of its functions, which includes arrangements for the management of risk.

The NW PEACE III Joint Committee is required to prepare an Annual Governance Statement, which is consistent with the principles of the CIPFA/SOLACE Framework: Delivering Good Governance in Local Government. This statement explains how the NW PEACE III Joint Committee meets the requirements of Regulation 2A of the Local Government Accounts and Audit (Amendment) Regulations (Northern Ireland 2006) in relation to the publication of a statement on internal control.

The purpose of the governance framework

The governance framework comprises the systems and processes, and culture and values, by which the NW PEACE III Joint Committee is directed and controlled and the activities through which the Joint Committee accounts to and engages with the community. It enables the NW PEACE III Joint Committee to monitor the achievement of its strategic objectives and to consider whether those objectives have led to the delivery of appropriate cost-effective services.

The system of internal control is a significant part of that framework and is designed to manage risk to a reasonable level. It cannot eliminate all risk of failure to achieve policies, aims and objectives and can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of the NW PEACE III Joint Committee's policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.

The governance framework has been in place for the financial year ended 31st March 2015 and up to the date of approval of the financial statements.

The Governance Framework

This section provides a summary of the key elements of the systems and processes that comprise the NW PEACE III Joint Committee's governance arrangements. As noted on page 10, the governance arrangements for the NW PEACE III Joint Committee are set out in the Consortium Agreement and are supported by the overall governance framework set by Derry City Council, in its role as Lead Council.

The Chief Executive for the Lead Council has responsibility for maintaining a system of sound internal controls and risk management processes to support the Joint Committee in the achievement of all conditions in the Letter of Offer, and for reviewing their effectiveness. The systems of controls are based on a continual process designed to identify the principal risks to the achievement of the project objectives, to evaluate the nature and extent of those risks and to manage them efficiently, effectively and economically.

Overall control of the governance framework and system of internal controls is the responsibility of the Joint Committee.

Arrangements for undertaking the core functions of an Audit Committee, as identified in CIPFA's Audit Committees – Practical Guidance for Local Authorities

The Lead Council has in place an Audit Committee whose overall purpose and objective is to assist Council in fulfilling its oversight responsibilities. The Audit Committee, which meets at least four times each period, has responsibility for reviewing:

- The system of internal control and management of risks;
- The financial reporting process;
- The internal and external audit process;
- Council's processes for monitoring compliance with laws and regulations; and
- Council's processes for monitoring compliance with its own Standing Orders, policies and procedures.

The Lead Council's Audit Committee remit is not to act as the Audit Committee for the Joint Committee. Instead, it oversees the role of Derry City Council as Lead Council of the Joint Committee. All governance and audit issues are reported directly to the NW PEACE III Joint Committee.

Arrangements for ensuring compliance with relevant laws and regulations, internal policies and procedures, and that expenditure is lawful

The Joint Committee and Funding (Managing Authority) regularly review progress made and issues arising by way of periodic progress reports, interim reports and final reports. Improved processes regarding eligibility of expenditure, compliance with Letters of Offer and the issue of amendments have been reviewed, updated and implemented during the 2014/15 financial period.

The Lead Council retain a panel of specialist legal advisors to provide expertise, advice and guidance as required. In addition, recommendations as outlined in internal and external audit reports enable the Lead Council to ensure compliance is maintained.

Arrangements for whistle-blowing and for receiving and investigating complaints from the public

The Lead Council's Standing Operating Procedure: Fraud and Corruption, sets out whistle-blowing arrangements. The procedure sets out the arrangements where employees wish to make disclosures whilst remaining protected from action by their employer.

The handling of complaints is set out in the Council's Complaints Procedure, a copy of which is published on the Council's website.

These arrangements extend to the role of Derry City Council as Lead Council to the NW PEACE III Joint Committee.

Review of effectiveness

The NW PEACE III Joint Committee has responsibility for conducting, at least annually, a review of the effectiveness of its governance framework including the system of internal control. The review of effectiveness is informed by the work of the NW PEACE III Joint Committee's Officers, who have responsibility for supporting the Committee in the development and maintenance of the governance environment and also by recommendations made by auditors from the Managing Authority, SEUPB, the Audit Authority and other external auditors.

Overall control of the governance framework and system of internal controls is the responsibility of the NW PEACE III Joint Committee. Regular meetings, policy documents and periodic progress reports enable the NW PEACE III Joint Committee to examine and evaluate the progress made and address issues affecting the implementation of the NW Peace and Reconciliation Action Plan.

The Chief Executive for the Lead Council has responsibility for the preparation of this Annual Governance Statement, as well as the Lead Partner Assurance Statement for submission to SEUPB, as the Managing Authority. In preparing this statement, he has considered the governance framework and system of internal controls in place.

In undertaking this review account has been taken of Guidance on the Local (Accounts and Audit) (Amendment) Regulations (Northern Ireland) 2006 issued by the Department of the Environment in February 2008. The Chief Executive of Derry City Council leads the Council's Senior Management Team to collectively have involvement in and oversight of the processes involved in maintaining and reviewing the effectiveness of the governance framework, this includes the delivery of the Council's responsibilities as Lead Council for the NW PEACE III Joint Committee. Progress on the implementation of the JC Plan and issues arising are reviewed and reported to the Lead Partner Council by way of Council reports.

In producing this statement, full regard has been made to Derry City Council's Corporate Risk Register and to Statements of Assurance provided by each Director to the Chief Executive for the year ended 31st March 2015.

Internal Audit services are provided to the Lead Council by their own internal audit. Internal Audit provides an independent opinion on the adequacy and effectiveness of the Council's system of internal control. This extends to reviewing the arrangements in place for the NW PEACE III Joint Committee funded projects, which will be reviewed on a periodic basis as part of an on-going programme of work. Internal Audit reports any deficiencies in internal control to Senior Management Team whose responsibility it is to consider any recommendations made and to take necessary remedial action. The results of the work of Internal Audit are also reported to the Lead Council's Audit Committee at least four times each period to ensure that continuous improvements take place. These reports to Audit Committee include a follow-up report to ensure that actions previously agreed by the Management Team are implemented on a timely basis.

The Lead Council undertake an annual review of the effectiveness of Internal Audit in line with the requirements of the CIPFA Code of Practice for Internal Audit in Local Government in the United Kingdom 2006. This review proved satisfactory.

The Chief Executive for the Lead Council has advised the NW PEACE III Joint Committee of the results and implications of the review of the effectiveness of the governance framework.

On-going review and update of the governance framework and internal controls will ensure continual improvement and a robust governance framework.

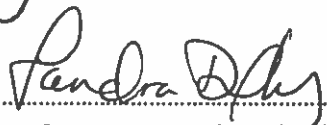
Significant governance issues

External funding from the EU is received throughout the year and is subject to verification and audit from SEUPB as the Managing Authority for the PEACE III Programme and other audit authorities including the Audit Authority, either Member State, the European Commission, the European Court of Auditors or any agent acting on their behalf. A significant governance issue for the NW PEACE III Joint Committee identified in 2011/12 was payments made to sub-projects which had subsequently been deemed ineligible following a retrospective audit. Since 2013/14 all expenditure has been recovered from the sub-projects at no cost to the NW PEACE III Joint Committee. A further issue was the irregular payment determination by SEUPB on project reference 1819 following the identification of financial irregularities and clawback of full grant of £55,952.58 by means of offset from a subsequent lead partner claim. SEUPB agreed that it was in order for the NW PEACE III Joint Committee to present expenditure deemed eligible on additional project activity in lieu of expenditure which could not be presented in relation to the ineligible project. A claim for expenditure of £55,592.48 was made to SEUPB and payment in full issued to the NW PEACE III Joint Committee. This issue has also been successfully resolved at no cost to the NW PEACE III Joint Committee. There are no significant governance issues to report in 2014/15.

Signature 

Chief Financial Officer

Date 16/10/15

Signature 

Chair of Assurance, Audit and Risk Committee (Derry and Strabane District Council)

Date 16/10/15

Certificate of the Chief Financial Officer

I certify that :-

- a) The Statement of Accounts for the financial year ended 31st March 2015 on pages 3 to 27 has been prepared in the form directed by the Department of the Environment and under the accounting policies set out on pages 19-20.

- b) In my opinion the Statement of Accounts gives a true and fair view of the financial position of the Committee at the reporting date and of its expenditure and income for the year ended 31st March 2015.

Signature



.....

Chief Financial Officer

Date

16/10/15

Audit Committee Approval of Statement of Accounts

These accounts were approved by resolution of the Audit Committee on 29th June 2015 and are subject to the amendments set out on page 27.

Signature



.....

Chair of Assurance, Audit and Risk Committee (Derry and Strabane District Council)

Date

16/10/15

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DERRY CITY AND STRABANE DISTRICT COUNCIL

I have audited the financial statements of North West Peace III Joint Committee for the year ended 31 March 2015 under the Local Government (Northern Ireland) Order 2005. The financial statements comprise the Movement in Reserves Statement, Comprehensive Income and Expenditure Statement, Balance Sheet, Cash Flow Statement and the related notes. The financial statements have been prepared under the accounting policies set out within them.

This report is made solely to the Members of Derry City and Strabane District Council in accordance with the Local Government (Northern Ireland) Order 2005 and for no other purpose, as specified in the Statement of Responsibilities. Under the transitional arrangements set out in the Local Government (Transitional, Supplementary, Incidental Provisions and Modifications) Regulations Northern Ireland 2014, Derry City and Strabane District Council takes responsibility for the financial statements of North West Peace III Joint Committee.

Respective responsibilities of the Chief Financial Officer and the independent auditor

As explained more fully in the Statement of Joint Committee's and Chief Financial Officer's Responsibilities, the Chief Financial Officer is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view of the income and expenditure and cash flows for the financial year and the financial position as at the end of the financial year. My responsibility is to audit the financial statements in accordance with the Local Government (Northern Ireland) Order 2005 and the Local Government Code of Audit Practice. 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 North West Peace III Joint Committee's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by North West Peace III Joint Committee; and the overall presentation of the financial statements. In addition I read all the financial and non-financial information in the Statement of Accounts to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by me in the course of performing the audit. If I become aware of any apparent material misstatements or inconsistencies I consider the implications for my report.

Opinion on financial statements

In my opinion:

- the financial statements give a true and fair view, in accordance with relevant legal and statutory requirements and the Code of Practice on Local Authority Accounting in the United Kingdom 2014-15, of the financial position of North West Peace III Joint

Committee as at 31 March 2015 and its income and expenditure for the year then ended; and

- the financial statements have been properly prepared in accordance with the Local Government (Accounts and Audit) Regulations (Northern Ireland) 2006 and the Department of the Environment directions issued thereunder.

Opinion on other matters

- In my opinion the information given in the Explanatory Foreword for the financial year ended 31 March 2015 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:

- The Annual Governance Statement:
 - does not reflect compliance with the Code of Practice on Local Authority Accounting in the United Kingdom 2014-15;
 - does not comply with proper practices specified by the Department of the Environment;
 - is misleading or inconsistent with other information I am aware of from my audit; or
- adequate accounting records have not been kept; or
- the Statement of Accounts is not in agreement with the accounting records; or
- I have not received all of the information and explanations I require for my audit.

Certificate

I certify that I have completed the audit of accounts of North West Peace III Joint Committee in accordance with the requirements of the Local Government (Northern Ireland) Order 2005 and the Local Government Code of Audit Practice.



Louise Mason
Local Government Auditor
Northern Ireland Audit Office
106 University Street
Belfast
BT7 1EU

23 October 2015

Movement in Reserves Statement

	Total Usable Reserves	Total Unusable Reserves	Total Reserves
	£	£	£
At 1st April 2013	0	0	0
Movement in reserves during the period			
Surplus or deficit on provision of services	0	0	0
Other Comprehensive Income and Expenditure	0	0	0
Total Comprehensive Income and Expenditure	0	0	0
At 31st March 2014	<u>0</u>	<u>0</u>	<u>0</u>
Movement in reserves during the period			
Surplus or deficit on provision of services	0	0	0
Other Comprehensive Income and Expenditure	0	0	0
Total Comprehensive Income and Expenditure	0	0	0
At 31st March 2015	<u>0</u>	<u>0</u>	<u>0</u>

Comprehensive Income and Expenditure Statement

	Notes	2014/15 £	2013/14 £
Income			
Government Grant	2a/2b & 4	1,002,188	2,116,216
Participating Councils	3	-1,670	20,880
Total Income		1,000,518	2,137,096
Expenditure			
Financial Assistance to Beneficiaries	2a/2b & 5	805,652	1,831,432
Staff Costs	7	128,280	211,901
Travel and Subsistence Costs		2,092	6,137
Other Payments		64,494	87,626
		1,000,518	2,137,096
Other Comprehensive Income and Expenditure		0	0
Total Comprehensive Income and Expenditure		0	0

Balance Sheet

	Notes	31-Mar-15 £	31-Mar-14 £
Long Term Assets		0	0
Short Term Investments		0	0
Inventories		0	0
Short Term Debtors	8	207,042	255,464
Cash and Cash Equivalents		0	0
Assets Held for Sale		0	0
Current Assets		207,042	255,464
Bank Overdraft		0	0
Short Term Borrowing		0	0
Short Term Creditors	9	207,042	255,464
Provisions		0	0
Current Liabilities		207,042	255,464
Long Term Liabilities		0	0
Net Assets		0	0
Usable Reserves		0	0
Unusable Reserves		0	0
Net Worth		0	0

Cash Flow Statement	2014/15	2013/14
	£	£
Net (surplus) or deficit on the provision of services	0	0
Adjustments for items included in the net surplus or deficit on the provision of services that are		
	10	0
Net Cash Flows from Operating Activities	<u>0</u>	<u>0</u>
Net Cash Flows from Investing Activities	0	0
Net Cash Flows from Financing Activities	0	0
Net increase / (decrease) in cash and cash equivalents	<u>0</u>	<u>0</u>
Cash and Cash Equivalents at the beginning of the reporting period	0	0
Cash and Cash Equivalents at the end of the reporting period	<u>0</u>	<u>0</u>

1 Accounting Policies**General Principles**

The Financial Statements summarise the Joint Committee's transactions for the 2014/15 financial year and its position at the end of 31st March 2015. The Joint Committee is required to prepare annual Financial Statements in a form directed by the Department of the Environment in accordance with regulations 4 (1) and (2) in the Local Government (Accounts and Audit) Regulations (Northern Ireland) 2006 in accordance with proper accounting practices. These practices primarily comprise the Code of Practice on Local Authority Accounting in the United Kingdom 2014/15 and the Service Reporting Code of Practice 2014/15 supported by International Financial Reporting Standards (IFRS).

Accruals of Income and Expenditure

The Financial Statements have been prepared on an accruals basis. The accruals basis of accounting requires the non-cash effect of transactions to be reflected in the Financial Statements for the period in which those effects are experienced and not in the period in which the cash is actually received or paid. This ensures that provision has been made for known outstanding debtors and creditors at the period end, estimated amounts being used where actual figures are not available.

Events After the Balance Sheet Date

Events after the balance sheet date are those events, both favourable and unfavourable, that occur between the end of the reporting period and the date when the Statement of Accounts is authorised for issue. Two types of events can be identified:

- those that provide evidence of conditions that existed at the end of the reporting period – the Statement of Accounts is adjusted to reflect such events.
- those that are indicative of conditions that arose after the reporting period – the Statement of Accounts is not adjusted to reflect such events, but where a category of events would have a material effect disclosure is made in the notes of the nature of the events and their estimated financial effect.

The financial statements may subsequently be adjusted up to the date when they are authorised for issue. Events taking place after the date of authorisation for issue are not reflected in the Statement of Accounts.

Exceptional Items

When items of income and expense are material, their nature and amount is disclosed separately, either on the face of the Comprehensive Income and Expenditure Statement or in the notes to the accounts, depending on how significant the items are to an understanding of the Joint Committee's financial performance.

Government Grants and Contributions

Whether paid on account, by instalments or in arrears, government grants and Council contributions and donations are recognised as due to the Joint Committee when there is reasonable assurance that:

- the Joint Committee will comply with the conditions attached to the payments, and
- the grants or contributions will be received.

Amounts recognised as due are not credited to the Comprehensive Income and Expenditure Statement until conditions attaching to the grant or contribution have been satisfied. Conditions are stipulations that specify that the future economic benefits or service potential embodied in the asset acquired using the grant or contribution are required to be consumed by the recipient as specified or future economic benefits or service potential must be returned to the transferor.

Monies advanced as grants and contributions for which conditions have not been satisfied are carried in the Balance Sheet as creditors. When conditions are satisfied, the grant or contribution is credited to Government Grants in the Comprehensive Income and Expenditure Statement.

Value Added Tax

All expenditure and income, irrespective of whether it is revenue or capital in nature, is shown net of Value Added Tax, unless it is irrecoverable.

**NW Peace III Joint
Committee
Statement of Accounts**

For the year ended 31st March 2015

2a Segmental Report - Current Period

	Derry City Council	Omagh District Council	Strabane District Council	Derry City Council - Strategic Support project	Derry City Council - Cavan Making Connections Project	Total
	£	£	£	£	£	£
Income from Participating Councils	-4,040	0	0	2,370	0	-1,670
Government Grants	933,709	-11,081	9,272	68,838	1,450	1,002,188
Total Income	929,669	-11,081	9,272	71,208	1,450	1,000,518
Financial Assistance to Beneficiaries	805,652	0	0	0	0	805,652
Staff Costs	108,696	0	0	19,584	0	128,280
Travel and Subsistence Costs	1,788	0	0	304	0	2,092
Other Payments	13,533	-11,081	9,272	51,320	1,450	64,494
Total Expenditure	929,669	-11,081	9,272	71,208	1,450	1,000,518
Total Comprehensive Income and Expenditure	0	0	0	0	0	0

**NW Peace III Joint
Committee
Statement of Accounts**

For the year ended 31st March 2015

2b Segmental Report - Prior period

	Derry City Council	Omagh District Council	Strabane District Council	Derry City Council - Strategic Support project	Derry City Council - Cavan Making Connections Project	Total
	£	£	£	£	£	£
Income from Participating Councils	16,082	2,899	1,899	0	0	20,880
Government Grants	1,985,344	19,032	1,518	38,439	71,883	2,116,216
Total Income	2,001,426	21,931	3,417	38,439	71,883	2,137,096
Financial Assistance to Beneficiaries	1,831,432	0	0	0	0	1,831,432
Staff Costs	152,053	20,021	3,032	36,795	0	211,901
Travel and Subsistence Costs	4,210	1,296	338	293	0	6,137
Other Payments	13,731	614	47	1,351	71,883	87,626
Total Expenditure	2,001,426	21,931	3,417	38,439	71,883	2,137,096
Total Comprehensive Income and Expenditure	0	0	0	0	0	0

3 Income from Participating Councils	2014/15	2013/14
	£	£
Derry City Council	-4,040	16,082
Omagh District Council	0	2,899
Strabane District Council	0	1,899
Derry City Council - Strategic Support project	2,370	0
	<u>-1,670</u>	<u>20,880</u>

Amounts payable to Omagh District Council were over accrued in 2013/14 to the value of £11,081, resulting in an adjustment to Government grants receivable in 2014/15 of the equivalent amount as shown in note 4.

4 Government Grants	2014/15	2013/14
	£	£
Derry City Council	933,709	1,985,344
Omagh District Council	-11,081	19,032
Strabane District Council	9,272	1,518
Derry City Council - Strategic Support project	68,838	38,439
Derry City Council - Cavan Making Connections Project	1,450	71,883
	<u>1,002,188</u>	<u>2,116,216</u>

5 Financial payments to beneficiaries	2014/15	2013/14
	£	£
Derry City Council	805,652	1,831,432
	<u>805,652</u>	<u>1,831,432</u>

6 External Audit Fees	2014/15	2013/14
	£	£
External Audit Fees	3,500	3,500
	<u>3,500</u>	<u>3,500</u>

7 Staff Costs		2014/15	2013/14
		£	£
Salaries		91,717	168,408
National Insurance		6,651	12,400
Pension Costs		17,935	31,093
Agency Staff Costs		11,977	0
		128,280	211,901
		2014/15	2013/14
		FTE	FTE
Total Staff Numbers		9	9
		Actual	Actual
		Numbers	Numbers
Full-time numbers employed		7	8
Part-time numbers employed		1	1
Agency Staff numbers		1	0
		9	9
8 Short Term Debtors		31-Mar-15	31-Mar-14
		£	£
Government Departments		0	55,952
Other		207,042	199,512
		207,042	255,464
9 Short Term Creditors		31-Mar-15	31-Mar-14
		£	£
Government Departments		3,500	3,500
Councils		203,537	177,198
Grants to Beneficiaries		0	72,582
Other		5	2,184
		207,042	255,464
10 Cash Flow Note – Analysis of Adjustments to Surplus/Deficit on the Provision of Services	Note	2014/15	2013/14
		£	£
(Increase) / decrease in debtors	8	48,422	(255,464)
Increase / (decrease) in creditors	9	(48,422)	255,464
		0	0

11 Related Party Transactions

A Related Party Transaction is a transfer of resources or obligations between related parties, regardless of whether a price is charged. Related Party Transactions exclude transactions with any other entity that is a related party solely because of its economic dependence on the Joint Committee or the Government of which it forms part.

A related party is one that has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions. This includes cases where the related party entity and another entity are subject to common control but excludes providers of finance in the course of their normal business with the Joint Committee and Trade Unions in the course of their normal dealings with the Joint Committee.

In addition where the relationship with the Joint Committee and the entity is solely that of an Agency, these are not deemed to be Related Party Transactions.

Transactions with related parties not disclosed elsewhere in these financial statements are set out below, where a description of the nature and the amount of the transaction is as follows:

Members have direct control over the Joint Committee's financial and operating policies. In the 2014/15 financial period the Joint Committee did not commission any works and services from companies in which Members have an interest.

The Joint Committee also did not pay any grants to organisations in which Members and executive officers had an interest.

As the Joint Committee uses Derry City Council to finance its activities, there was a balance owed to the Council at 31 March 2015 of £160,864 in relation to the funding for the period (31 March 2014 £142,018). Omagh DC was owed £2,133 for outstanding Technical Assistance claims and £21,174 for project claims. Strabane DC was owed £9,272 for outstanding Technical Assistance claims and £21,174 for project claims. An estimated accrual was made in 2013/14 for outstanding Technical Assistance claims owed to Omagh DC of £13,214 which was over-estimated by £11,081. Consequently an adjustment was necessary for a reversal of this amount in 2014/15 from Omagh DC. Derry City Council also provided match funding for the staff and running costs associated with managing the Joint Committee.

The match funding from the partner Councils is shown below:

	<u>2014/15</u>	<u>2013/14</u>
	£	£
Derry City Council	-1,670	16,082
Strabane District Council		1,899
Omagh District Council		2,899
	<u>-1,670</u>	<u>20,880</u>

The following grants were paid during the period to projects which are being run by one of the partner Councils, although all projects must go through the same assessment process before being awarded any grant under Peace III.

	<u>2014/15</u>	<u>2013/14</u>
	£	£
Strabane DC - Culture & Sport to Peace		67,391
Derry CC - Strategic Support Priority	71,208	36,276
Derry CC - Culture & Communities		136,108
Omagh DC - Multicultural Park	6,981	139,714
Omagh DC - Partner Delivery	36,648	42,556
Derry CC - Carnivals Connect		52,249
Strabane DC - Links of Time	126,140	125,261
Derry CC - Legacy celebrations	49,461	44,520
Derry CC - Youth Intervention Programme	38,032	101,202
Derry CC - Decade of Commemorations	42,171	
	<u>370,641</u>	<u>745,277</u>

Accounts Authorised for Issue

In accordance with International Accounting Standard (IAS 10) this Statement of Accounts which contains a number of minor and material amendments from the Accounts approved on 29 June 2015 is at today's date hereby authorised for issue. Any material amendments will be explained and reported in accordance with Regulation 12 of the Local Government (Accounts and Audit) Regulations (Northern Ireland) 2006.

IAS 10 sets out

- The period during which an entity should adjust its financial statements for events after the balance sheet date as being the period between the date the financial statements were prepared and the date of this authorisation; and
- In the event of adjustments the disclosures that should be made.

Material amendments

- The financial statements were originally prepared for the nine month period up to 31 December 2014 as this was when the Peace III Programme ended. Following clarification of the correct accounting period, the financial statements were then prepared up to 31 March 2015 and as a result, debtors and creditors were both reduced by £6,554.

There was no effect on the Reserves as a result of these amendments.

Signed 
Chief Financial Officer

Date 23/10/15