

Financial Reporting (Departments and Public Bodies) Bill

Northern Ireland Water

To Clerk of Committee for Finance

Dear Peter

On behalf of the Director of Finance and Regulation, thank you for inviting NI Water to provide a written response to Committee for Finance on the Financial Reporting (Departments and Public Bodies) Bill.

We are aware that the Department for Infrastructure previously expressed concerns to the Executive about consolidating NI Water within the Estimates and Accounting boundary given that NI Water is not required to follow the Government Financial Reporting Manual (FRoM) and does not therefore produce Accounts on the same basis as the Department. The Department envisages this would create difficulties with any proposed consolidation in terms of a range of issues including the treatment of deferred tax, accelerated capital allowances bad debt and provisions. It would also create significant difficulties in the treatment of NI Water's complex assets.

We support the Departments view that NI Water is at this stage considered exempt from the implementation of the Review of Financial Process, recognising the unique circumstances of NI Water, established as a government owned company but classified as an NDPB for public expenditure purposes.

Kind regards
Caroline

Caroline McGale
Financial Controller
[northern Ireland water](#)