

Northern Ireland Assembly Resource Accounts for the Year ended 31 March 2012

*Laid before the Northern Ireland Assembly by the
Department of Finance and Personnel under
section 10(4) of the Government Resources
and Accounts Act (Northern Ireland) 2001*

6 July 2012

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Annual Report and Accounts for the year ended 31 March 2012

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Foreword by the Speaker

It gives me great pleasure to present the Annual Report and Accounts for the Northern Ireland Assembly Commission for the 2011-12 financial year. This report fulfils the Commission's requirement to prepare and present an annual report and accounts under the Government Resources and Accounts Act (Northern Ireland) 2001.

As with other years, 2011-12 has been a year full of challenge and achievement for the Commission and the Assembly Secretariat. The transition to the new mandate following the election in May 2011 has been a notable success. I want to thank returning and new Members, Secretariat staff and party staff for working together so well to ensure a smooth start to the 2011-15 mandate.

The Commission has also played its part in meeting the demands of reduced public expenditure, commencing a programme of efficiency reviews and providing services within its reduced budget under the 2010 Spending Review settlement.

A new Corporate Strategy 2012-16 was approved by the Commission during the year and I wholeheartedly commend the vision of providing outstanding and progressive parliamentary services even in a tough financial climate

This Annual Report and Accounts provides facts and figures about the Commission. I think it highlights the vast range of activity necessary to make the Assembly work and how the Commission plans and manages its resources to achieve it

Often what people see of the Assembly, whether it be coverage of a plenary debate, a committee session or an event, is only a partial snapshot of our work.

William Hay MLA

Annual Report for the year ended 31 March 2012

Executive Summary

The Northern Ireland Assembly Commission presents its Annual Report and Accounts for the financial year ended 31 March 2012.

History and statutory background of the Northern Ireland Assembly

The Northern Ireland Assembly was established as a result of the Belfast Agreement on Friday, 10 April 1998.

The electorate of Northern Ireland endorsed the Belfast Agreement in a referendum held on 22 May 1998, which paved the way for the subsequent legislation, the Northern Ireland Act 1998.

The United Kingdom Parliament devolved powers of government to the Northern Ireland Assembly at midnight on 1 December 1999. The Assembly was then able to govern Northern Ireland in respect of transferred matters; and also reserved matters with the Secretary of State's consent. Excepted matters remain the responsibility of the United Kingdom Parliament.

The Northern Ireland Assembly was however suspended from 14 Oct 2002 to 8 May 2007. During the period of suspension the United Kingdom Government remained committed to trying to achieve a full restoration of devolution. The Northern Ireland Act 2006 established an interim Assembly on 15 May 2006. The Northern Ireland (St Andrews Agreement) Act 2006 established a Transitional Assembly on 24 November 2006 and set the date for elections to a new Northern Ireland Assembly. The Transitional Assembly's purpose was to prepare for the restoration of a devolved government in Northern Ireland in accordance with the St Andrews Agreement. The Northern Ireland (St Andrews Agreement) Act 2006 envisaged a restoration date for the Northern Ireland Assembly of 26 March 2007; however restoration actually occurred on 8 May 2007. From that date work was undertaken to secure the devolution of the final reserved matters. After the devolution of policing and justice functions in April 2012 the only excepted matters remaining are those matters of national importance, e.g. defence, taxation and foreign policy. The Northern Ireland Assembly completed its first full mandate and was dissolved on 24 March 2011 to make way for Assembly elections on 5 May 2011. The first Plenary of the newly elected Assembly took place on 12 May 2011.

The Assembly Commission and the Accounting Officer

Under section 40 of the Northern Ireland Act 1998 the Assembly elects a Commission, which has responsibility for providing the Assembly with the property, staff and services to carry out its business. The Commission is chaired by the Presiding Officer (known under Standing Orders as the "Speaker") and has five other members who are tasked with representing the interest of the Assembly and its 108 elected Members. During suspension, the Assembly Commission was unable to meet and its responsibilities were assumed by the Secretary of State for Northern Ireland. On restoration of the Assembly on 8 May 2007, an Assembly Commission was elected under the chairmanship of the Presiding Officer, William Hay MLA. Following the Assembly elections on 5 May 2011

a new Assembly Commission was elected and Mr William Hay MLA was re-appointed as the Presiding Officer.

As Clerk to the Assembly, Mr Trevor Reaney is the principal adviser to the Speaker. As well as advising the Speaker on all procedural and organisational matters he also undertakes the role of Director General of the Assembly Secretariat and is the Accounting Officer for all the Assembly Commission's expenditure.

The Assembly Secretariat

The Assembly Secretariat staff are employed by the Assembly Commission to provide the Assembly with the supporting services required for the Assembly's purposes.

The work of the Assembly Secretariat is organised and monitored by the Secretariat Management Group, which was established in August 2008. The Secretariat Management Group has responsibility for ensuring effective corporate governance of the Secretariat and ensuring the Secretariat is equipped to fulfil its role in supporting the Members in carrying out their Assembly duties. The Secretariat Management Group meets monthly to consider progress on strategic and key management issues. The membership of the Secretariat Management Group can be found in the Management Commentary – Corporate Governance Report on pages 9 & 10.

The Assembly Commission continues to guide and direct the strategic activities of the Assembly Secretariat through its Vision:

“An Assembly that strengthens democracy and engages the people in creating a better future for all”.

The Strategic Priorities established by the Commission drive the work of the Assembly Secretariat and inform its Corporate Planning process. During the period covered by these Report and Accounts these were as follows:-

1. Supporting Assembly Business – undertaking the effective delivery of continuous improvement of support for Members in their work in Plenary sittings, Committees, constituencies and as Office Holders;
2. Engaging the Public – undertaking the implementation of a dynamic and responsive strategy for outreach and public engagement;
3. Supporting and developing our staff – having a dedicated, professional and motivated group of staff to meet the needs of the Assembly;
4. Ensuring the effective governance of the Secretariat;
5. Accommodating the Assembly – providing accommodation which meets the needs of the Assembly, its staff and visitors.

The Assembly Commission established three core values for the Assembly Secretariat, namely:

- 1 *Professionalism - reflected by a commitment to excellence; team-working; and a focus on meeting the needs of elected Members and the public whom the Assembly serves;*
- 2 *Integrity - reflected by political impartiality; honesty, discretion and respect for diversity; and*
- 3 *Accountability - reflected by each member of staff taking responsibility for individual, team and corporate performance; and openness and transparency towards the public.*

These core values are fundamental to everything that the Secretariat undertakes and the Secretariat Management Group continues to strive to ensure that they are embedded throughout the whole organisation.

Reporting

The Assembly Commission is required to publish its Annual Report and Accounts, in respect of each financial year. The Annual Report and Accounts provides a comprehensive explanation of the work of the Commission and Assembly Secretariat and provides full details of all Assembly Commission expenditure.

This Annual Report and Accounts covers the work of the Assembly Commission and the Assembly Secretariat in support of the legislature and fulfils the requirements of the Government Resources and Accounts Act (Northern Ireland) 2001. The Assembly's accounts are published annually and once they have been audited and laid before the Assembly. They are available from the Assembly's website: <http://www.niassembly.gov.uk>. They are also available from The Stationery Office. Details of all sums paid to Members and former Members are published quarterly on the Assembly's website.

The Assembly Commission has participated fully in all public expenditure exercises during the year and details of the Assembly Commission's main and supplementary estimates are available from The Stationery Office.

Scope

The Northern Ireland Assembly Commission does not support any agencies, non-departmental public bodies (NDPBs) or trading funds.

Register of interests

The Assembly's corporate body is the Assembly Commission. Commission Members are elected by the Assembly from its membership. Northern Ireland Assembly Standing Order 69(1) requires that a Register of Members' interests be established, published and made available for public inspection. Following the election of a new Assembly on 5 May 2011, a Register of Members' Interests for the fourth mandate was established. This Register is continuously updated. The latest version of the Register can be viewed at: <http://www.niassembly.gov.uk/Your-MLAs/Register-of-Interests/30-March-2012/>

Pensions liabilities

Notes 1.14 and 9 to the Accounts and the Remuneration Report on pages 17 to 24 provide details of the pensions liabilities of the Assembly Commission.

Auditors

The Assembly Commission's financial statements are audited by the Comptroller and Auditor General, whose certificate and report appears on page 31 of the Accounts. The notional cost of the work performed by the Northern Ireland Audit Office for 2011-12 was £ 30,000 (2010-11; £30,000) and related solely to audit services.

Disclosure to Auditors

So far as the Accounting Officer is aware, there is no relevant audit information of which the Assembly Commission's auditors are unaware and, the Accounting Officer has taken all reasonable steps to make himself aware of any relevant audit information and to establish that the Assembly Commission's auditors are aware of that information.

Management Commentary

Key Aims and Objectives

The Strategic Priorities established, by the Assembly Commission, to drive the work of the Assembly Secretariat and inform its Corporate Planning process have already been outlined in the Executive summary on pages 1 to 4 .

An outline of the work of the Assembly Secretariat may be found within the Corporate Plan. The Corporate Planning process implemented in 2008-09 remained in place during the 2011-12 year. The original plan covered the period up to March 2011. However the process allows for a rolling annual review and as part of the review in 2010-11 it was decided to update the plan for another year, to include the first year of the new mandate and to set a new plan from 2012 onwards. These on-going reviews ensure that the objectives and targets remain relevant and achievable. The planning process establishes corporate objectives that are entirely in keeping with the Vision, Purpose and Values expressed by the Assembly Commission. While the Aims and Objectives of the organisation remained focused on the continuing delivery of a fully functioning legislature, supported by a fully resourced Assembly Secretariat, a number of objectives were revised to specifically focus on the preparations for a new mandate in May 2011. The process continues to link the strategic objectives with the lower-level, Business Unit objectives and informs the risk management process.

Principal Activities

Unlike an Executive Department, the Northern Ireland Assembly Commission does not develop Public Service Agreement targets against its Key Objectives. The service delivery aspect of the Assembly Secretariat's work relates to the procedural support, resources and services that it provides to the legislature to enable it to function effectively. Consequently, the outputs reported on in this Management Commentary are those that were developed internally in the Assembly Secretariat to assist with the assessment of its performance during the year.

The Corporate Plan

The planning and delivery of all the services required for a fully functioning legislature, in the first year of a new mandate, supported by a fully resourced Assembly Secretariat were the main determinants of the corporate objectives contained in the Corporate Plan for 2011-12. The plan sets out objectives and targets and how the Secretariat will work to achieve the strategic priorities in support of the Assembly Commission's vision.

The corporate objectives were augmented by including, for each objective, a measure of success and where appropriate a series of actions/initiatives with responsibility for meeting the objective allocated to a specific individual.

Delivery of the Corporate Plan

Responsibility for delivery of the outputs agreed in the Corporate Plan fall to the Assembly's Secretariat Management Group. Regular updates on performance against

each of the supporting targets in the Plan are received from managers across the organisation and presented to the Secretariat Management Group quarterly.

Within the Corporate plan there were 17 objectives, with 37 supporting actions/initiatives. During the year, 30 of the supporting actions/initiatives were fully completed, 4 were partially completed and 3 were not completed. Table 1 (at Annex B on page 67) summarises each objective and each supporting action/initiative.

Future developments

The Vision, Strategic Priorities and Values of the Assembly Commission inform the corporate planning process which re-iterates the commitment to the provision of the highest possible standards of service to Members of the Assembly. It also provides a focus for the Assembly Secretariat's future intentions, building on the achievements and significant progress that was made during the previous mandate. A review of the corporate planning process during 2011-12 has led to the development of a new Corporate Strategy for 2012-16. This new Strategy seeks to achieve 3 strategic aims of (i) providing outstanding parliamentary services, (ii) influencing, enabling and delivering change and (iii) being an efficient and progressive organisation. Under the implementation of this new Strategy it is not anticipated that future activities will require significant additional funding beyond the amounts already notified to the Department of Finance and Personnel (DFP).

Principal risks and uncertainties

Following the restoration of the Assembly on 8 May 2007, the principal risks and uncertainty relating to the work of the Assembly arose from the ongoing political environment. Although the Assembly has now completed the first year of a fourth mandate, political uncertainty or instability still affords the greatest risk to the Assembly.

Internally, the principal risks to the Assembly Commission and Secretariat are identified and managed through a risk management regime. The Secretariat Management Group is responsible for both the corporate planning process and Risk Management Policy. Although during 2011-12 no significant changes were made to either of these and the Secretariat Management Group continued to identify and manage risks within the existing governance framework, a review of the Stewardship statements resulted in some minor changes to form and content. A minor organisational structural change was also implemented to assist the Accounting Officer and enhance the corporate governance arrangements, with the Director of Legal services assuming responsibility for corporate governance, risk management and internal audit in June 2011.

The ongoing corporate planning process and the administration of the Risk Management Policy, provides a strong emphasis on the identification and management of risks. Further details on the Assembly Secretariat's capacity to handle risk, the risk and control framework within which the Assembly operates, and a review of effectiveness of the system of internal control are provided in the Statement on Internal Control on pages 26 to 30.

Events after the Reporting Period

There are no events occurring after the 31 March 2012 that require disclosure or amendment to the figures contained in the Resource Account.

Equal opportunity policy (including employment of persons with a disability)

The Northern Ireland Assembly Commission is an equal opportunities employer. It does not discriminate against staff or eligible applicants on the grounds of gender, marital status, race, colour, nationality, ethnic origin, religion, disabilities, age or sexual orientation. Every possible step is taken to ensure that staff are treated equally and fairly and that decisions on recruitment, selection, training, promotion and career management are based solely on objective and job-related criteria. It will continue to actively pursue arrangements for flexible working patterns and is committed to creating a culture in which individual differences are valued and respected. The Northern Ireland Assembly Commission does not tolerate any form of discrimination, harassment or victimisation. It is committed to providing a working environment where no one is disadvantaged.

Sickness Absence

There was an average absence rate of 4.2% during 2011-12 (3.32% 2010-11). The absence rate is the percentage of available working days which were lost due to sickness absence. During the reporting period the Secretariat Management Group set a benchmark of 7.5 days per annum, however the average number of days lost due to sickness for 2011-12 was 9.4 days.

Personal Data Incidents

There have been no personal data related incidents during the year.

Consultation with employees

The Assembly Commission and senior management make every effort to ensure that all staff are kept informed of the organisation's plans and developments. The main channels of communication continue to include formal industrial relations processes (through the work of the Employee Relations Group and the Employee Relations Board), the intranet, office circulars, e-mail, regular team briefings and the Clerk/Director General's comments/questions boxes. While the overall responsibility for internal communications lies with the Information and Outreach Directorate, the Internal Communications Working Group provides advice and guidance on internal communications in the Assembly Secretariat. This group aims to ensure that internal communications are of a high and appropriate standard. During the reporting period this group continued to meet regularly, reporting quarterly to the Secretariat Management Group and advising on the communication of a wide number of issues, including the on-going work of the Business Efficiency Programme. A Staff Survey was also undertaken during the year and the initial report of the results will be reported to the Secretariat Management Group in May 2012. An action plan to address any issues arising will be devised and implemented in due course.

Staff are also kept informed of all developments in relation to strategic and corporate issues through the Clerk/Director General's quarterly report to the Assembly

Commission, the minutes of Secretariat Management Group meetings, which are published on the internal intranet, AssISt. The Clerk/Director General continued to hold regular staff briefing sessions, which provided a forum for all staff to ask questions regarding crucial staffing matters and to hear about relevant issues as they arose or as decisions had been made. The speaking notes for these sessions are published on AssISt.

The quarterly magazine called “Life on the Hill” continues to be produced, providing a light hearted look at the work and achievements of the Secretariat. This is now produced electronically.

Policy on payment of suppliers

The Northern Ireland Assembly Commission is committed to prompt payment of bills for goods and services. The current policy is to comply with the Confederation of British Industry’s Prompt Payers’ Code. Unless otherwise explicitly stated payment is due within 30 days after delivery of the invoice or the goods or services, whichever is latest.

During 2011-12 the Assembly Commission paid 98.5% of bills, without queries, within this standard (2010-11, 98.6%).

In addition to this the Assembly Commission has sought to comply with the initiative that was introduced in 2008-09 by DFP to pay all supplier payments within a suggested target of 10 days. During the year 95.3% of invoices were paid within 10 days of being received (2010-11, 96.0%).

The Assembly Commission made no payment of interest under the Late Payment of Commercial Debts (Interest) Act 1988 during the year ended 31 March 2012.

Charitable donations

The Assembly Commission has not made any charitable donations in the year.

Corporate Governance Report

In September 2005, DFP issued HM Treasury’s publication “Corporate governance in central government departments: Code of good practice”. Even though the Northern Ireland Assembly Commission is not a government department, many of the provisions contained in the guidance are relevant to, and can be readily applied to, the Assembly Commission. In December 2006, further explanatory guidance on corporate governance reporting was issued by DFP. However in July 2011 an updated code was published by HM Treasury and DFP have indicated that the full content and application of the revised code is still being considered for Northern Ireland departments. Once further guidance has been issued by DFP it will be applied as appropriate. This Corporate Governance Report has been prepared in accordance with the current guidance from DFP.

The Management Board

The Northern Ireland Assembly Commission has a two-tier management arrangement. The Assembly Commission has the legislative authority to provide the Assembly with the wide range of services needed by a modern legislature, but the day to day delivery of those services is achieved through delegation to the Clerk/Director General, with further delegations from him, to an executive management team. For the purposes of this Report, the corporate governance arrangements have been applied to the management team charged with the delivery of the services on behalf of the Assembly Commission, with relevant disclosures made regarding the delegated authority given to that management team.

The Secretariat Management Group is chaired by the Clerk/Director General and has responsibility for the delivery of the work of the Assembly Secretariat. In addition to the Clerk/Director General, the Group comprises the Director of Clerking and Reporting, the Director of Corporate Services, the Director of Information and Outreach, the Director of Facilities and the Director of Legal and Governance Services.

The Secretariat Management Group meets monthly and has responsibility for determining the strategic direction of the Assembly Secretariat, including responsibility for the following:

- reviews progress on important organisational issues including performance management and Finance and HR matters,
- audit and accountability,
- review and administration of the Risk Management Policy.

The Secretariat Management Group members are:

Mr Trevor Reaney	Clerk/Director General
Mr John Stewart	Director of Clerking & Reporting
Mr Richard Stewart	Director of Corporate Services

Mr Stephen Welch	Director of Facilities
Mr Gareth McGrath	Director of Information and Outreach
Mr Hugh Widdis	Director of Legal and Governance Services

All the Secretariat Management Group members were full-time employees of the Northern Ireland Assembly Commission.

A letter, delegating authority to the Clerk/Director General from the Commission was given on his appointment on 19 August 2008. This formalised the relationship between the Commission and the Secretariat. This was reviewed and amended in 2009-10 as part of the ongoing and proactive review of corporate governance arrangements of the Secretariat. This revised letter remained in place during 2011-12 and is attached as Annex A at page 64. Further letters of sub-delegation have been issued to all Secretariat Management Group members.

Audit Committee Structure

The Secretariat Audit and Risk Committee meets on a quarterly basis to monitor progress against the audit plan, to consider issues arising from both internal and external audits and advise the Clerk/Director General (in his role as Accounting Officer) on matters which may impact the overall level of assurance. The presence of an independent chair and independent member forms a robust challenge to the corporate governance regime within the Assembly Secretariat.

The members of the Secretariat Audit and Risk Committee during 2011-12 were:

Mr. Alan McQuillan	Independent Chairperson <i>(to 11 July 2011)</i>
Mr. Colm McKenna	Independent Member <i>(to 11 July 2011)</i>
	Interim Chairperson <i>(12 July 2011 to 30 Nov 2011)</i>
	Independent Chairperson <i>(from 1 December 2011)</i>
Mr Douglas Bain	Independent Member <i>(from 1 February 2012)</i>
Mr. Pat Ramsey	MLA

Brian Moreland (Head of Internal Audit) and a Northern Ireland Audit Office representative were regular attendees at the Committee's meetings. Trevor Reaney (as Accounting Officer), Richard Stewart (Director of Corporate Services) and Paula McClintock (Head of Finance) also attend the meetings. The meeting is also attended by one of the other members of the Secretariat Management Group on a rotational basis.

During the year, the Committee considered a wide range of issues relating to governance, internal control and accountability. These included the review of internal audit reports and plans, consideration of the assurance provided to the Accounting Officer through the Statement on Internal Control, consideration on an exception basis of issues (including risk management issues) arising from stewardship statements, review of the audit strategy for the external audit of the annual accounts and consideration of the Report to those Charged With Governance following the external audit of the accounts.

Financial Review

The Assembly Commission's budget for 2011-12 was allocated in the 2010 Spending Review (SR2010). It was confirmed in the Main Estimates for the 2011-12 financial year. Through participation in the quarterly monitoring rounds and the internal management reporting cycle the Assembly Commission closely monitored its resource and cash requirements.

The final resource outturn may be seen in the table below:

	Outturn	Budget	Under/(over)	Under/(Over)
	£'000	£'000	£'000	%
Income	(33)	(45)	(12)	26.7%
Gross Resource Requirement	45,268	52,157	6,889	13.2%
Net Resource Requirement	45,235	52,112	6,877	13.2%
Capital	819	1,038	219	21.1%
Total	46,054	53,150	7,096	13.4%

The actual Request for Resources increased during the year by £3.5 million to £52.1 million in the Spring Supplementary Estimates (SSE) (which can be split £46.04 million Departmental Expenditure Limit (DEL) and £6.06 million Annually Managed Expenditure (AME) and Non-Budget items) and the Net Cash Requirement increased by £1.12 million to £43.91 million.

Note 4 of the accounts shows a surplus Net Resource Outturn of £6.88 million and a surplus Net Cash Requirement of £1.98 million against the SSE position. The total Net Resource underspend of £6.88 million represents 13.2% of the **total** SSE position. Further analysis shows that the overall total underspend in Non-Cash items alone is £5.8 million representing 11.2% of the Spring Supplementary Estimate.

The main determinant of the Non-Cash underspend was an underspend of £5.7 million in AME arising from the recent valuation of the Members Pension Scheme. The Northern Ireland Assembly Commission is required to provide for the excess of the scheme's liabilities over its assets on an annual basis. Indications prior to the SSE in December 2011 had shown the gap between the scheme's assets and liabilities to be continuing to increase in value. This was due to changes in valuation ratios and on-

going uncertainty within the markets. Therefore a large provision had been included in the SSE to cover the predicted shortfall. However following the introduction of the Independent Financial Review Panels Determination in March 2012, the pension contributions from Members will increase from 1 July 2012 and new salary rates have been established for the next 3 years. Therefore the underlying assumptions used for valuation purposes have changed. These changes, along with a decrease in the discount rate from 2.6% to 2.3%, means that the shortfall has only increased modestly. This has resulted in a non-utilisation of this year's AME provision.

There was a £0.2 million overspend in DEL Non-Cash impairments due to the change in valuation of Ormiston House, which continues to be recorded as a Non-Current Asset Held for sale. The Assembly Commission is continuing to work with the Belfast City Council Planning Office and other agencies to achieve full planning permission for the property, while actively marketing it for sale. In accordance with FrEM, IFRS 5, IAS 16 and IAS 36 the full revaluation loss was taken directly to the Statement of Comprehensive Net Expenditure (SOCNE) (£1.1 million). A downward valuation had already been anticipated in the Spring Estimate of £0.9 million, resulting in a total overspend was £0.2 million. Ormiston House is a Grade 2 listed property, and as such the Assembly Commission has an obligation to ensure that the property is appropriately secured and maintained. The costs incurred in fulfilling these obligations have been included in the General and Administrative Expenditure (GAE) costs recorded in the SOCNE each year, from the date of acquisition in 2001. In 2011-12 the costs incurred for security were £110,135 (2010-11 £102,629), repairs & maintenance, £7,955 (2010-11 £43,716) and professional fees, £44,318 (2010-11 £10,785). Although these costs are necessary to ensure the property is not at risk, as the property has not been occupied these costs could be deemed as losses once the disposal is complete. When the disposal of Ormiston House is complete, the Assembly Commission will ensure that the full impact of these annual costs is appropriately disclosed. The remaining underspend on Non-Cash relates to depreciation, impairment of other assets, accrued employee benefits, and general provisions (£0.3 million). This can be attributed to slippage in capital projects during the period, the lower than anticipated accrual for holiday pay and the release of unused provisions for legal costs.

The remaining £1.04 million (2.00%) is across a number of expenditure categories, within DEL Cash.

The most significant item of expenditure, totalling £16.91 million, related to Assembly Secretariat staffing costs. During the year, the Assembly Secretariat employed on average 403 members of staff (including agency staff) which decreased from 416 in 2010-11. The increase in expenditure can be attributed to the final implementation of the agreed recommendations brought forward in the pay benchmarking and grading review. The full retrospective impact of the agreed recommendations, including back service office costs payable to Civil Service Pensions and the accrued interest on these costs have been included in the expenditure figure for 2011-12. The final costs from NI Civil Service Pensions were greater than anticipated which lead to an overspend on Salaries of £0.37 million.

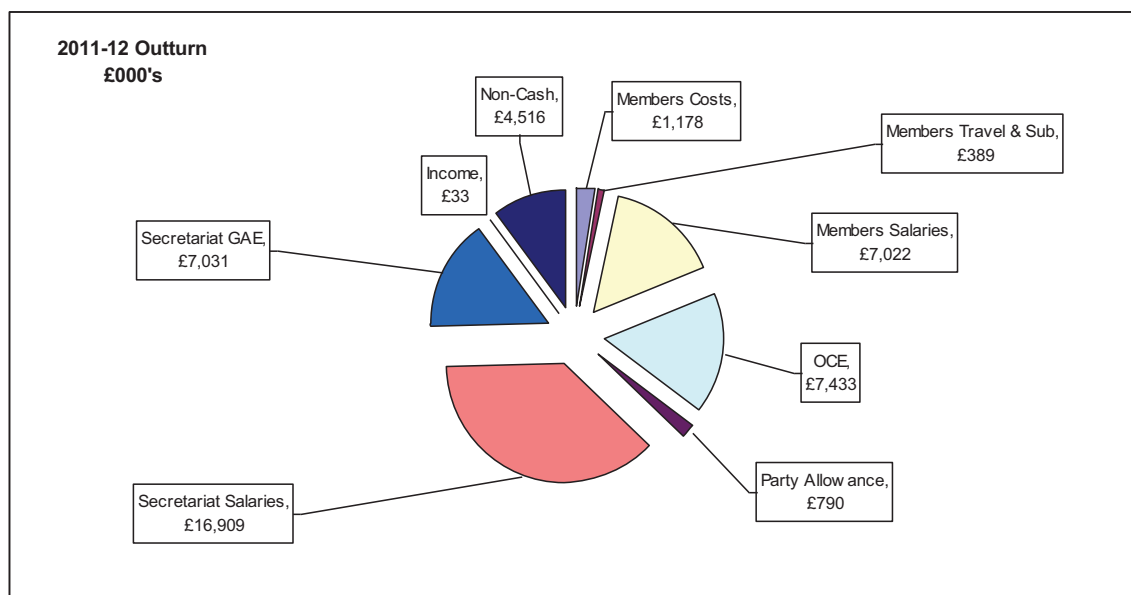
The higher than anticipated back service office costs was able to be met by realigning the budget provisions within the Secretariat GAE and Consultancy costs. The overall

underspend for GAE was £0.78 million (1.49%). This arose from a variety of factors. On-going work has been undertaken to review internal services through a Business Efficiency Programme and a number of initiatives were implemented in 2010-11. This led to a cautious approach to spending in some areas including: Secretariat Travel, Committee travel, conference attendance, Business refreshments and Hospitality. An on-going review of the use of printed documents across the organisation and the introduction of a new initiative for electronic Committee packs continued to drive costs downwards.

Members' salaries continued to be paid at the level that existed immediately following the restoration of the Assembly in 2007. The full range of Officeholders' salaries also remained unchanged. These included salaries, social security and pension costs for Executive Ministers. The total wage bill for Members and Officeholders was £7.02 million, down from £7.1 million in 2010-11. Although a number of political parties have moved to bring an end to dual mandates there are a number of Members who are still receiving an MP salary from parliamentary duties undertaken at Westminster. Under the Northern Ireland Assembly Members Act 2010, which was introduced in July 2010, if a Member receives a salary from Westminster, the salary payable as a Member of the Assembly is abated by 100%. 2011-12 was the first full year the Act was in operation and the impact can be seen through the reduction in costs.

Members' Office Cost Expenditure (OCE) totalling £7.43 million was paid during 2011-12. The equivalent figure for 2010-11 was £7.8 million. The 2011-12 provision for OCE was made under the Northern Ireland Assembly (Members' Expenditure) Determination 2010. The Determination provides for the maximum amount available to each Member to be uplifted annually in line with the average annual percentage increase in RPI. During 2011-12 the annual uplift was not applied and the maximum amount that could be claimed per Member was £75,857. OCE is intended to meet the expenses incurred on secretarial, clerical and administrative assistance (including the provision of any equipment, facilities or services) required by a Member in connection with the carrying out of his or her Assembly duties. As the Determination allows for a maximum amount that may be claimed in relation to such expenditure the Northern Ireland Assembly Commission can allow for the full amount of budget cover in the Estimate, however in any given year if Members do not utilise the entirety of the allowance an underspend may occur. During the budget setting process consideration was given to the under utilisation that had occurred in previous years and the budget was reduced. However a further underspend occurred of £0.47 million.

A further £0.16 million underspend occurred on Members' Other Costs, Members' Travel, Party Allowance and Income. Budget provision had been included for a number of Members who had indicated their intention to stand down from office during the year, however this occurred later than anticipated, therefore the full provisions of Winding-Up Expenditure and statutory redundancy were not required. The travel patterns of Members continue to be hard to predict especially in the first year of the new mandate, with 25 new Members joining the Assembly in May 2011, direct comparisons with previous years was not possible.



Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	2011-12	2010-11 (restated)
	£'000	£'000
Net Resource Outturn (Estimates)	45,235	42,066
Adjustments to remove:		
Provision voted for earlier years	-	-
Adjustments to additionally include:		
Non-voted expenditure in the SOCNE	-	-
Consolidated Fund Extra Receipts in the SOCNE	(11)	(1)
Other adjustments	-	-
IFRS adjustments	-	-
Adjustments to account for downward revaluation	-	45
Adjustment to account for change in treatment of non-exchange transactions (for which Outturn not restated)	-	(3)
Net Operating Cost (Accounts)	45,224	42,107
Adjustments to remove:		
Voted expenditure outside the budget	35	31
Adjustments to additionally include:		
Other Consolidated Fund Extra Receipts	11	1
Resource Budget Outturn (Budget)	45,200	42,077
of which		
Departmental Expenditure Limits (DEL)	45,032	46,218
Annually Managed Expenditure (AME)	168	(4,141)

Environmental & Sustainability Report

The Northern Ireland Assembly Commission is committed to becoming an exemplar organisation in respect of Sustainable Development. The role of the Sustainable Development Office (SDO) within the Assembly Secretariat is to embed responsible business practice throughout the Assembly.

The key responsibilities of the SDO are to:

- Fully implement the Sustainable Development Strategy for the Northern Ireland Assembly Commission
- Maintain accreditation to the International Standard for Environmental Management Systems (EMS) namely EN ISO 14001.

A Sustainable Development Policy Statement was introduced in December 2009, which sets out the Commission's aspirations to operate more sustainably.

To support the Policy Statement, a Sustainable Development Strategy has also been developed which sets out how the aspirations detailed within the Policy will be achieved.

The Strategy has been developed with a three year lifespan, with annual action plans developed and implemented to enhance existing responsible business practice with a view to achieving the aspirations detailed within the Policy Statement.

Over the course of this year, the Assembly has taken significant steps to manage and reduce its environmental impact through the implementation of EMS and ensures that environmental considerations are embedded across the organisation through environmental awareness training. Training sessions which have taken place for all staff and contractors highlighted the environmental procedures of the Assembly. All staff have now been trained in environmental awareness and it is hoped that in future staff will be able to avail of the training online.

The implementation of EMS has also ensured compliance with all relevant environmental legislation and helped to identify and assess any environmental risks. All environmental impacts and risks are regularly reviewed and controlled as part of our measures to achieve continuous improvement.

The Assembly has continued with its procedures to improve the process for evaluating prospective suppliers' environmental practices within procurement competitions and are currently in the process of developing procedures to reduce the direct and indirect environmental impacts of the supply chain.

An Energy Performance Rating has been calculated for Parliament Buildings by a separate government organisation. The rating is calculated by taking into account the energy performance of the building's fabric and its services (i.e. heating, cooling, hot water, ventilation and lighting). The energy rating is presented on a scale of A to G with A being the most efficient. The energy rating achieved by Parliament Buildings for 2011 was D. Work is continuing to ensure that this improves and the Assembly hopes to achieve a rating of C by 2014.

The Assembly has been working in partnership with Beers Engineering and JCP Consulting (both Carbon Trust Accredited Energy Specialists) who undertook detailed energy audits of Parliament Buildings in early 2011. New energy reduction targets are currently being drawn up for the next four years and these will be based on the recommendations from the energy audit. In addition a monitoring and targeting system to identify patterns of energy and water consumption is due to be installed within the next year. The Assembly is continuing to work closely with the Energy Unit within DFP. In addition to this the NI Assembly in partnership with the Support Services Contractor achieved accreditation to the Soil Associations Catering Mark. This ensures that they use more local, seasonal and organic ingredients.

The Assembly has significantly improved its waste management practices and the average amount of waste that is recycled is almost 70%. It is hoped that by introducing various initiatives, such as removing under desk bins in large offices, that the Assembly will be able to achieve 80%. Over the past few years the introduction of new waste recycling streams including lights, cooking oil, batteries and food waste has been very successful and helped to increase the recycling figures.

The Assembly has continued its membership of Business in the Community Northern Ireland (BITCNI). BITCNI is a leading authority on Corporate Social Responsibility (CSR) and Sustainable Development throughout the UK and Ireland. The Assembly's Human Resources Office, Outreach Office and Facilities Directorate have worked closely with BITCNI over the past year on an action plan with several positive steps being taken. A new action plan has been developed for the coming year and includes targets such as introducing a volunteering scheme for staff.

The Assembly has continued with its Sustainable Travel initiatives aimed at encouraging staff to avail of more sustainable modes of transport to travel to and from work. These initiatives are Translink's TaxSmart Scheme (an employer salary sacrifice scheme where the Assembly purchases travel passes for employees and the employees then repay the Assembly from their gross salary) and Translink's Annual Commuter Travelcards (an interest free loan made to employees to allow them to purchase travelcards where repayments are made out of net salary). The Assembly is also encouraging staff to consider car sharing by making them aware of the national scheme currently available and setting up a facility on the Assembly staff intranet detailing opportunities to car share. Work has also been continuing in relation to the 'cycle to work' scheme and it is hoped that this can be introduced in the following year.

The Assembly will continue to improve its environmental performance by:

- Continually improving our performance in terms of recycling and waste management;
- Maintaining ISO14001 Accreditation;
- Communicating sustainability internally and externally with all of our energy figures and costs being available online at the NI Assembly website; and
- Benchmarking against similar public and private organisations

Remuneration Report

Remuneration Policy

Commission Members

The pay and pensions of Members including its Officeholders, for the 2011-12 financial year were determined by the Northern Ireland Assembly (Members' Salaries) Determination 2000.

During 2011 an Independent Financial Review Panel (IFRP) was established by the Assembly Members (Independent Financial Review and Standards) Act (Northern Ireland) 2011 to make determinations in relation to all salaries, allowances and pensions payable to MLAs. IFRP published their first report in March 2012 and their first determination, the *Northern Ireland Assembly Members' Salaries, Allowances, Expenses and Pensions Determination 2012*, comes into effect on 1 April 2012 and will impact upon the salaries, allowances and pensions payable to MLAs in future financial years.

Senior Management

The restoration of the Northern Ireland Assembly on 8 May 2007 allowed for the establishment of an Assembly Commission under section 40 of the Northern Ireland Act 1998. Under s 40(4) of the Act: "*The Commission shall provide the Assembly, or ensure that the Assembly is provided, with the property, staff and services required for the Assembly's purposes*". The Assembly Commission therefore has the authority to appoint staff (the Assembly Secretariat) and to set the remuneration of these staff within the wider context of the public sector pay remit set by the NI Executive. A review of the remuneration of Secretariat staff concluded in 2011 and its recommendations resulted in a number of changes to the existing Assembly Secretariat grading structure and pay scales being agreed by the Assembly Commission. These changes have now been fully implemented.

The pay award for Senior Management and all Secretariat Staff is normally an incremental uplift on salary scales based upon an annual assessment of staff performance reports. In line with the NI Executive's decision in Budget 2011-15 to mirror the Coalition Government's commitments to impose pay restraints, a two year pay freeze has been imposed on all Assembly Secretariat staff. This has meant that existing salary scales were not amended during this two year period. This two year pay freeze is due to end on 31 July 2012.

Service Contracts

Assembly Secretariat staff normally hold appointments that are open-ended. Early termination, other than for misconduct, may result in the individual receiving compensation as set out in the Assembly Commission's own staff policies and procedures.

Appointments to senior management are made by the Assembly Commission on the basis of fair and open competition and the Assembly Commission has set its own policies and procedures in this regard.

The following sections provide details of the remuneration and pension interests of the Assembly Commission and the most senior officials within the Assembly Secretariat.

Remuneration (audited)

	2011-12		2010-11	
	Salary £	Benefits in kind (to nearest £100)	Salary £	Benefits in kind (to nearest £100)
Assembly Commission				
William Hay MLA Presiding Officer	37,801	-	37,801	-
Pat Doherty MLA (to 23 May 2011)	1,645	-	11,331	-
Barry McElduff MLA (from 24 May 2011)	9,686	-	N/A	-
Robert Coulter MLA (to 23 May 2011)	1,645	-	11,331	-
Leslie Cree MLA (from 24 May 2011)	9,686	-	N/A	-
Pat Ramsey MLA	11,331	-	9,686	-
Peter Weir MLA	11,331	-	8,561	-
Judith Cochrane MLA (from 24 May 2011)	9,686	-	N/A	-
Sean Neeson MLA (to 23 May 2011)	1,645	-	11,331	-

	2011-12			2010-11		
	Salary £'000	Bonus Payments £'000	Benefits in kind (to nearest £100)	Salary £'000	Bonus Payments £'000	Benefits in kind (to nearest £100)
Trevor Reaney Clerk / Director-General	115-120	-	-	110-115	-	-
Hugh Widdis Director of Legal and Governance Services	75-80	-	-	70-75	-	-
John Stewart Director of Clerking & Reporting	75-80	-	-	65-70	-	-
Richard Stewart Director of Corporate Services	75-80	-	-	65-70	-	-
Gareth McGrath Director of Information and Outreach	75-80	-	-	65-70	-	-
Stephen Welch Director of Facilities	75-80	-	-	70-75	-	-
Damien Martin* Acting Director of Facilities (14 September 2011 to 3 January 2012)	20-25 (70-75 Full-Year Equivalent)	-	-	N/A	-	-
Band of Highest Paid Director's Total Remuneration	115-120			110-115		
Median Total Remuneration	27,357			26,332		
Ratio	4.3			4.3		

* An Acting Director of Facilities was appointed from within the Assembly Secretariat, by way of a Temporary Promotion, to cover a period of long-term sick absence. The remuneration disclosed above represents the total salary paid to the Acting Director of Facilities during his period of tenure, with the related Full-Year Equivalent figure disclosed in brackets.

Hutton Fair Pay Review Disclosure

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.

The banded remuneration of the highest-paid Director in the Northern Ireland Assembly in the financial year 2011-12 was £115-120k (2010-11, £110-115k). This was 4.3 times (2010-11, 4.3) the median remuneration of the workforce, which was £27,357 (2010-11, £26,332). In 2011-12, 0 (2010-11, 0) employees received remuneration in excess of the highest-paid director.

Total remuneration includes salary, non-consolidated performance-related pay, benefits-in-kind as well as severance payments. It does not include employer pension contributions and the cash equivalent transfer value of pensions

The increase in median total remuneration of £1,025 from £26,332 to £27,357 reflects the implementation of new pay scales established as a result of the Pay & Grading review. The ratio of the total remuneration of the highest paid director to the median remuneration of the organisation remains unchanged at 4.3, however, as the new pay scales impacted all grades within the Assembly Secretariat.

Salary

‘Salary’ for Secretariat Officials includes gross salary; overtime; reserved rights to London weighting or London allowances; recruitment and retention allowances; private office allowances, any other allowance to the extent that it is subject to UK taxation and any gratia payments.

This report is based on payments made by the Assembly and thus recorded in these accounts. In respect of Members of the Assembly Commission, ‘salary’ represents the Officeholder’s salary payable for being a Member of the Assembly Commission at £11,331 (2010-11; £11,331) or Presiding Officer / (and Chair of the Assembly Commission) of £37,801 (2010-11; £37,801). The figure does not include the salary for their services as a Member of £43,101 (2010-11; £43,101).

Benefits in kind

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

Pensions Benefits (audited)

Assembly Commission Members	Accrued pension at age 65 as at 31/03/12	Real increase in pension at age 65	CETV at 31/03/12 (or end date)	CETV at 31/03/11 (or start date)	Real increase in CETV
	£’000	£’000	£’000	£’000	£’000
William Hay Presiding Officer	0-5	0-2.5	70	53	17
Pat Doherty, MLA (to 23 May 2011)	0-5	0-2.5	9	7	2
Barry McElduff MLA (from 24 May 2011)	0-5	0-2.5	12	7	5

Robert Coulter MLA ¹ (to 23 May 2011)	0-5	0-2.5	13	13	0
Leslie Cree MLA (from 24 May 2011)	0-5	0-2.5	4	-	4
Pat Ramsey MLA	0-5	0-2.5	8	3	5
Peter Weir MLA	0-5	0-2.5	7	4	3
Judith Cochrane MLA (from 24 May 2011)	0-5	0-2.5	2	-	2
Sean Neeson MLA (to 23 May 2011)	0-5	0-2.5	24	24	-
¹ As the Commission member is aged 75 or over, no additional pension benefits accrue beyond that conferred by annual uprating of existing preserved pension entitlement. A lump sum commutation was paid on 6 April 2006 meaning that no further pension contributions are payable either by the Member or by the Assembly.					

Assembly Commission pensions

Pension benefits for Commission Members are provided by the Assembly Members' Pension Scheme (Northern Ireland) 2008 (AMPS). The scheme is made under section 48 of the Northern Ireland Act 1998. As Commission Members will be Members of the Legislative Assembly they may also accrue a Members' pension under the AMPS (details of which are not included in this report). The pension arrangements for Commission Members provide benefits on a "contribution factor" basis which takes account of service as a Commission Member. The contribution factor is the relationship between the salary as a Commission Member and the salary as a Member for each year of service as a Commission Member. Pension benefits as a Commission Member are based on the accrual rate (1/50th or 1/40th) multiplied by the cumulative contribution factors and the relevant final salary as a Member.

Benefits for Commission Members are payable at the same time as Member's benefits become payable under the AMPS. Pensions are increased annually in line with changes in the Consumer Price Index (CPI). Commission Members can pay contributions of either 6% of their officeholder's salary (if they opt for the lower accrual rate of 50th's) or of 11.5% of their officeholder's salary (if they do not opt for the lower accrual rate and remain on the higher default rate of 40th's). There is also an employer contribution paid by the Consolidated Fund out of money appropriated by Act of Assembly for that purpose representing the balance of cost. This is currently 23.3% of the Commission Members' salary.

The accrued pension quoted is the pension the Commission Member is entitled to receive when they reach 65 or immediately on ceasing to be an active member of the scheme if they are already 65.

The Cash Equivalent Transfer Value (CETV)

This is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the Member's accrued benefits and any contingent spouse's pension payable from the scheme. It is a payment made by a pension scheme or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the pension benefits they have accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total service as an Officeholder, not just their current appointment as an Officeholder. The figures are calculated in accordance with The Occupational Pension Schemes (Transfer Values) (Amendment) Regulations 2008 and do not take account of any actual or potential reduction to benefits resulting from Lifetime Allowance Tax which may be due when pension benefits are drawn.

The actuarial factors used in the CETV calculation were changed during 2011, due to changes in demographic assumptions and the move from the Retail Prices Index (RPI) to CPI as the measure used to uprate Civil Service pensions. This means that the CETV in this year's report for 31 March 2011 will not be the same as the corresponding figure shown in last year's report.

The real increase in the value of the CETV

This is the increase in accrued pension due to the Assembly's contributions to the AMPS, and excludes increases due to inflation and contributions paid by the Commission Member and is calculated using common market valuation factors for the start and end of the period.

Secretariat Pension Entitlements

Secretariat Officials	Accrued pension at age 60 as at 31/03/12 and related lump sum	Real increase in pension and related lump sum at age 60	CETV at 31/03/12 (or end date)	CETV at 31/03/11 (or start date)	Real increase in CETV	Employer contribution to partnership pension account
	£'000	£'000	£'000	£'000	£'000	Nearest £100
Trevor Reaney Clerk / Director-General	40-45	0-2.5	649	586	10	-
Hugh Widdis Director of Legal and Governance Services	10-15 plus lump sum of 5-10	0-2.5 plus lump sum of 0-2.5	163	135	14	-
John Stewart Director of Clerking & Reporting	5-10	0-2.5	40	26	9	-
Richard Stewart Director of Corporate Services	20-25 plus lump sum of 70-75	0-2.5 plus lump sum of 5-7.5	362	307	30	-

Gareth McGrath Director of Information and Outreach	10-15	0-2.5	152	121	18	-
Stephen Welch Director of Facilities	10-15	0-2.5	183	154	14	-
Damien Martin Acting Director of Facilities (14 September 2011 to 3 January 2012)	10-15 plus lump sum of 40-45	0-2.5 plus lump sum of 0-2.5	186	173	10	-

Secretariat Pension Arrangements

Pension benefits are provided through the Northern Ireland Civil Service pension arrangements which are administered by Civil Service Pensions (CSP). Staff in post prior to 30 July 2007 may be in one of three statutory based ‘final salary’ defined benefit arrangements (**classic**, **premium**, and **classic plus**). These arrangements are unfunded with the cost of benefits met by monies voted by Parliament each year. From April 2011 Pensions payable under classic, premium, and classic plus are increased annually in line with changes in the CPI. Prior to 2011, pensions were increased in line with changes in the RPI. New entrants joining on or after 1 October 2002 and before 30 July 2007 could choose between membership of premium or joining a good quality ‘money purchase’ stakeholder arrangement with a significant employer contribution (partnership pension account). New entrants joining on or after 30 July 2007 are eligible for membership of the **nuvos** arrangement or they can opt for a partnership pension account. **Nuvos** is a “Career Average Revalued Earnings” (CARE) arrangement in which members accrue pension benefits at a percentage rate of annual pensionable earnings throughout the period of scheme membership. The current rate is 2.3%. CARE pension benefits are increased annually in line with increases in the CPI and attract an annual pension increase. For 2012, Public Service Pensions will be increased by 5.2% with effect from 9 April.

Employee contributions are set at the rate of 1.5% of pensionable earnings for **classic** and 3.5% for **premium**, **classic plus** and **nuvos**. Benefits in **classic** accrue at the rate of 1/80th of pensionable salary for each year of service. In addition, a lump sum equivalent to three years’ pension is payable on retirement. For **premium**, benefits accrue at the rate of 1/60th of final pensionable earnings for each year of service. Unlike **classic**, there is no automatic lump sum (but members may give up (commute) some of their pension to provide a lump sum). **Classic plus** is essentially a variation of **premium**, but with benefits in respect of service before 1 October 2002 calculated broadly as per **classic**.

The partnership pension account is a stakeholder pension arrangement. The employer makes a basic contribution of between 3% and 12.5% (depending on the age of the member) into a stakeholder pension product chosen by the employee. The employee does not have to contribute but where they do make contributions, the employer will match these up to a limit of 3% of pensionable salary (in addition to the employer’s basic contribution). Employers also contribute a further 0.8% of pensionable salary to cover the cost of centrally-provided risk benefit cover (death in service and ill health retirement).

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

they are at or over pension age. Pension age is 60 for members of **classic, premium, and classic plus** and 65 for members of **nuvos**.

Further details about the Civil Service pension arrangements can be found at the website www.civilservicepensions-ni.gov.uk.

Cash Equivalent Transfer Values

A CETV is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which disclosure applies. The CETV figures, and from 2003-04 the other pension details, include the value of any pension benefit in another scheme or arrangement which the individual has transferred to the CSP arrangements. They also include any additional pension benefit accrued to the member as a result of their purchasing additional years of pension service in the scheme at their own cost. CETVs are calculated in accordance with the Occupational Pension Schemes (Transfer Values) (Amendment) Regulations 2008 and do not take account of any actual or potential benefits resulting from Lifetime Allowance Tax which may be due when pension benefits are drawn.

The actuarial factors that are used in the CETV calculation were changed during 2011, due to changes in demographic assumptions and the move from the RPI to the CPI as the measure used to uprate Civil Service pensions. This means that the CETV in this year's report for 31 March 2011 will not be the same as the corresponding figure shown in last year's report.

Real increase in CETV

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

Compensation for loss of office

There was no loss of office recorded for the period under review and therefore no compensation was paid.



Trevor Reaney
Accounting Officer
Clerk /Director General
Date: 25 June 2012

Statement of Accounting Officer’s Responsibilities

Under Government Resource and Accounts Act (NI) 2001, DFP has directed the Northern Ireland Assembly Commission to prepare for each financial year resource accounts detailing the resources acquired, held or disposed of during the year and the use of resources by the Assembly Commission during the year.

The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of the Northern Ireland Assembly Commission and of its net resource outturn, resources applied to objectives, changes in taxpayers’ equity and cash flows for the financial year.

In preparing the accounts, the Accounting Officer is required to comply with the requirements of the *Government Financial Reporting Manual* and in particular to:

- observe the Accounts Direction issued by DFP, 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 as set out in the *Government Financial Reporting Manual* have been followed, and disclose and explain any material departures in the accounts; and
- prepare the accounts on a going concern basis.

DFP has appointed the Clerk to the Assembly, Mr Trevor Reaney, as Accounting Officer of the Northern Ireland Assembly.

The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which the Accounting Officer is answerable, for keeping proper records and for safeguarding the Northern Ireland Assembly Commission’s assets, are set out in the Accounting Officers’ Memorandum issued DFP and published in *Managing Public Money Northern Ireland*.

Statement on Internal Control

Scope of responsibility

As Accounting Officer, I have responsibility for maintaining a sound system of internal control that supports the achievement of the Northern Ireland Assembly Commission's policies, aims and objectives as set by the Assembly Commission whilst safeguarding the public funds and Assembly Commission assets for which I am personally responsible, in accordance with the responsibilities assigned to me in Managing Public Money Northern Ireland.

Under section 40 of the Northern Ireland Act 1998 the Northern Ireland Assembly elects a Commission which has responsibility for providing the Assembly with the property, staff and services to carry out its business. As Accounting Officer, I attend meetings of the Assembly Commission and present major decisions in relation to expenditure, asset management and staffing to the Assembly Commission for its consideration and approval.

As Clerk/Director General I am supported by 5 other members of the Secretariat Management Group:- the Director of Clerking and Reporting, the Director of Information and Outreach, the Director of Facilities, Director of Corporate and the Director of Legal and Governance Services.

In my role as Accounting Officer there is a formal delegation of functions from the Assembly Commission. Further delegations of functions and financial responsibilities are in place for the members of the Secretariat Management Group. These delegations clarify the role and responsibilities of the Assembly Commission, Accounting Officer and the relevant managers in the organisation.

The Northern Ireland Assembly Commission has no Executive Agencies or Non Departmental Public Bodies.

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of Assembly Commission 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 system of internal control has been in place in the Northern Ireland Assembly for the year ended 31 March 2012 and up to the date of approval of the annual report and accounts, and accords with DFP guidance.

Capacity to Handle Risk

The current Risk Management Policy was adopted in October 2008 and leadership of the risk management process is provided by the Secretariat Management Group.

The Secretariat Management Group has ownership of the Corporate Risk Register. The Secretariat Management Group identifies the key risks to be set out in the Corporate Risk

Register. A scoring framework incorporating factors such as likelihood and impact has been used to assess each corporate level risk. For each risk the Secretariat Management Group has also identified the risk owner, potential causes of the risk, the controls currently in place to manage the risk and a series of actions that need to be undertaken to strengthen and improve the control of the risk. Ownership of the key risk areas has been assigned to those with responsibility and authority for implementing controls and assigning resources to manage key risks. The Secretariat Management Group provides advice and support to me, as Accounting Officer, when taking major decisions affecting the management of risks within the Assembly. The Risk Management Policy enables the Secretariat Management Group to regularly review and identify the principle risks of the Assembly, to evaluate the nature and extent of those risks and to manage the risks efficiently, effectively and economically.

A review of the Risk Management Policy was undertaken during 2010-11 and as a result a number of changes to the Stewardship Statements were agreed and introduced during 2011-12. Corporate Risk Owners are required to confirm if the management of risks identified in their respective risk registers has been effective and to provide a narrative on how this assurance has been achieved. Should an indication be given that controls have not be appropriate or effective in managing risks, a narrative on the remedial actions being under taken must also be given by the Risk owner. The Statements have been further expanded requiring Risk owners to provide commentary on a number of other key governance issues, specifically: - the control of expenditure within their area of delegated responsibility, information management practices, fraud / bribery prevention measures and the implementation of Internal and External Audit recommendations. The management of risks arising from the reducing budgets under the Spending Review 2010 continues to be addressed in the Corporate Risk Register and a comprehensive Business Efficiency Programme which commenced in 2011-12. The programme, which will be completed in 2012-13, will undertake a review of all business areas seeking to generate and identify tangible efficiencies and savings.

In addition to the administrative changes that were implemented following the review of the Risk Management Policy some minor organisational structure changes were also implemented during 2011-12, in order to assist the Accounting Office and to strengthen corporate governance arrangements. In June 2011 the Director of Legal Services assumed responsibility for corporate governance, risk management and internal audit, becoming the Director of Legal and Governance Services.

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The risk and control framework

In managing the Risk Management Policy the Secretariat Management Group has sought to ensure that a strong risk management culture is embedded across the entire organisation. Under the policy the current framework of management ensures there is regular, ongoing monitoring and reporting of risk, including early warning mechanisms. The Corporate Risk Register, which has been established under the policy, is regularly reviewed by the Secretariat Management Group. Half yearly reviews of the effectiveness of the system of internal controls is undertaken, culminating in the completion of Stewardship Statements by each of the Corporate Risk owners. The policy allows the risk management process to complement the corporate business planning process.

Directorate Risk Registers are also maintained. Directorate risks have been assessed in the same manner as the corporate level risks using the scoring framework. Risk owners

and the controls needed to manage the risk have been identified for each of the Directorate level risks.

The Stewardship Statements require the Corporate Risk owners to identify any changes or developments that impact on each risk and to set out the manner in which these are being managed. The statements and the Corporate Risk Register are routinely presented to and reviewed by the Secretariat Audit and Risk Committee.

The corporate planning process continues to set the context for the risk management process. Clear strategic aims and lower-level, Directorate and Business Unit objectives have been identified, allowing all areas of the organisation to consider the risks that might impact on the ability to meet specific objectives.

In seeking to ensure the continuing effective governance and control of the financial support framework for Members the Assembly Commission undertook an interim review of the Financial Support for Members Handbook, which was introduced in March 2011. A number of minor revisions were introduced in January 2012 in order to enhance the guidance that was available to Members. Such issues however are now considered by the Independent Financial Review Panel (the Panel) which was established in July 2011. The Panel is responsible for determining all matters of salary, allowances, expenses and pension for Members. The first report and Determination of the Panel were published on 14 March 2012. This important development, along with the ongoing review of the Handbook, should continue to strengthen the governance of the financial support framework, ensuring greater openness and transparency and requiring a greater accountability of elected representatives to ensure they use their financial resources in an efficient manner.

The Secretariat Management Group recognises that corporate information must be acknowledged as an asset, and as such there is a need to protect it and manage it effectively. Information used for operational purposes and reporting purposes needs to be handled appropriately, particularly where it is to be used by third parties or other government departments. In considering information assurance, the Accounting Officer appointed a Senior Information Risk Owner (SIRO), the Director of Information and Outreach. The SIRO has overall authority in relation to decisions about protective marking and ensuring information risks are assessed and mitigated at an acceptable level. Work is continuing on the implementation of an Information Management Programme which outlines a vision of how Information Management will support the business of the Assembly by 2016. It describes, in summary, a portfolio of 11 underpinning projects which when implemented as a whole will transform the flow of information in the Assembly and enable significant business process improvements and efficiencies.

The programme will also provide a governance framework for the strategies and policies relating to Information Management, Information Security and Information Technology.

In managing corporate information the Northern Ireland Assembly Commission ensures that it has sufficient procedures and policies in place to enable it to fulfil its statutory obligation under current legislation, e.g. Freedom of Information Act 2000 and Data Protection Act 1998. The Assembly Publication Scheme ensures that information is made available and accessible to the public. As Accounting Officer I have, along with the SIRO, considered information assurance for the Assembly.

Review of Effectiveness

As Accounting Officer, I have responsibility for reviewing the effectiveness of the system of internal control. My review is informed by the work of the Internal Audit team and the Secretariat Management Group, who have responsibility for the development and maintenance of the internal control framework, and comments made by the external auditors in their Report to those charged with Governance and other reports. I have been advised on the implications of the result of my review by each of the Directors, the Secretariat Audit and Risk Committee and Internal Audit and a plan to address weaknesses and ensure continuous improvement of the system is in place.

The effectiveness of the system of internal control has been maintained through meetings of the senior management team and the Secretariat Audit and Risk Committee. These meetings have provided an opportunity to identify material changes in risks or controls. The Secretariat Audit and Risk Committee reviewed and approved the programme of work for the Internal Audit Unit.

A review of the effectiveness of the Secretariat Audit and Risk Committee is undertaken annually and at its meeting on 14 March 2012 the annual report and review of effectiveness of the Committee was agreed. This will be presented to the Commission at its meeting in May 2012.

Significant Internal Control Issues

The overall level of assurance for the year 2011-12, based on the programme of Internal Audits approved by the Secretariat Audit and Risk Committee (SARC) remains satisfactory. As reported to SARC, the assurance level had dropped to limited for a brief period in-year because of the results of the first audit assignments carried out in the period. However because of the early implementation of Internal Audit recommendations and the more positive outcomes from assignments later in the year, on balance a satisfactory assessment is appropriate.

Two Internal Audit reports issued in the period 1 April 2011 to 31 March 2012 (the reviews of Procurement Cards and the N.I. Assembly and Business Trust) were assessed as limited assurance. The former was caused by override of internal controls, use of a card in respect of travel and subsistence and physical security of cards. The latter was attributed to ineffective financial controls and a lack of accurate costing information.

One further report (in respect of the Managed Print Contract) resulted in an unacceptable level of assurance. This review was performed at management's request following concerns over the actual costs incurred in relation to the fixed fee element of the contract. The assurance level was a result of no records being made available to Internal Audit in respect of this part of the contract.

In respect of the two audits where limited assurance was given, significant progress has been made to improve control, with the follow-up audit of Procurement Cards resulting in substantial assurance. A recently completed follow up audit of the N.I. Assembly and Business Trust has confirmed that all recommendations have now been implemented and the assurance rating was raised to satisfactory.

Management are in discussions with the supplier of the print contract to arrive at a mutually satisfactory solution for the remainder of the contract.

The remaining Internal Audit reports issued in final form during the above period were assessed as either satisfactory or substantial and as for previous years the implementation rate for Internal Audit recommendations is high.

The audit of Business Continuity Planning which will be finalised on receipt of management responses will be assessed as limited assurance. This assurance level is due primarily to the focus of the current plan on the unavailability of Parliament Buildings, the prioritisation of operations and procedures, limited testing and the observation that the plan has yet to be finalised.

Management are already considering the options available and decisions that will have to be taken to address the issues raised in the report and will use the significant work that has already been completed to move to a resolution as soon as possible.

The draft report in respect of Office Resources is also expected to record limited assurance. The report, which is due to issue in late May 2012 highlights a number of issues for management attention including: ineffective stationery, office consumables and postage-paid envelopes stock management processes; the potential for loss through ineffective physical controls in and around Office Resources and inadequate segregation of some staff duties (specifically one staff member can order, receive, reconcile and recommend acceptance of payment for goods).

It was noted that, where possible, management have taken steps to ensure the early implementation of the recommendations made.

At the time of this Report Internal Audit has also undertaken two further reports on the alleged loss of cash within Parliament Buildings. The first incident was regarding a minor amount of petty cash. While the cash was not recovered Internal Audit has reviewed the existing controls and will be making recommendations to enhance the current administrative arrangements. The second incident involved a third party contractor and this has been reported to the appropriate authorities for further investigation.



Trevor Reaney
Accounting Officer
Clerk/Director General

Date: 25 June 2012

NORTHERN IRELAND ASSEMBLY**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 Northern Ireland Assembly for the year ended 31 March 2012 under the Government Resources and Accounts Act (Northern Ireland) 2001. These comprise the Statement of Comprehensive Net Expenditure, the Statement of Financial Position, the Statement of Cash Flows, the Statement of Changes in Taxpayers' Equity and the related notes. I have also audited the Statement of Assembly Supply 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 Remuneration Report that is described in that report as having been audited.

Respective responsibilities of the Accounting Officer and auditor

As explained more fully in the Statement of Accounting Officer's 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. My responsibility is to examine, certify and report on the financial statements in accordance with the Government Resources and Accounts Act (Northern Ireland) 2001. 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 Northern Ireland Assembly's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Northern Ireland Assembly; and the overall presentation of the financial statements. In addition I read all the financial and non-financial information in the Annual Report 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.

I am required to obtain evidence sufficient to give reasonable assurance that the Statement of Assembly Supply properly presents the outturn against Assembly control totals and that those totals have not been exceeded.

In addition, I am required to obtain evidence sufficient to give reasonable assurance that the expenditure and income 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 Statement of Assembly Supply properly presents the outturn against voted Assembly control totals for the year ended 31 March 2012 and shows that those totals have not been exceeded; and

- the expenditure and income have been applied to the purposes intended by the Assembly and the financial transactions conform to the authorities which govern them.

Opinion on financial statements

In my opinion:

- the financial statements give a true and fair view of the state of the Assembly's affairs as at 31 March 2012 and of its net operating cost, cash flows and changes in taxpayers' equity for the year then ended; and
- the financial statements have been properly prepared in accordance with the Government Resources and Accounts Act (Northern Ireland) 2001 and Department of Finance and Personnel directions issued there under.

Opinion on other matters

In my opinion:

- the part of the Remuneration Report to be audited has been properly prepared in accordance with Department of Finance and Personnel directions made under the Government Resources and Accounts Act (Northern Ireland) 2001; and
- the information given in the Management Commentary 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 and the part of the Remuneration 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 Statement on Internal Control does not reflect compliance with Department of Finance and Personnel's guidance.

Report

I have no observations to make on these financial statements.



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

27 June 2012

Statement of Assembly Supply

Summary of Resource Outturn 2011-2012

Request for Resources	Note	Estimate			Outturn			2011-12 £'000	2010-11 £'000
		Gross Expenditure	ARs	Net Total	Gross Expenditure	ARs	Net Total	Net total outturn compared with estimate: saving / (excess)	Net Total
1	2	52,157	(45)	52,112	45,268	(33)	45,235	6,877	42,066
Total Resources	3	52,157	(45)	52,112	45,268	(33)	45,235	6,877	42,066
Non-operating cost ARs		-		-			-	-	-

Net Cash Requirement 2011-2012

	Note	Estimate	Outturn	2011-12 £'000	2010-11 £'000
Net Cash Requirement	4	43,915	41,934	1,981	42,557

Summary of income payable to the Consolidated Fund

In addition to accruing resources, the following income relates to the Northern Ireland Assembly (NIA) and is payable to the Consolidated Fund (cash receipts being shown in *italics*)

	Note	Forecast 2011-12 £'000		Outturn 2011-12 £'000	
		Income	Receipts	Income	Receipts
Total	5	10	<i>10</i>	11	<i>11</i>

Explanation of variances between Estimate and Outturn are given in Note 2 and in the Management Commentary.

The notes on pages 38 to 62 form part of these accounts.

Statement of Comprehensive Net Expenditure for the year ended 31 March 2012

				2011-12	2010-11
				£'000	£'000
	Note	Staff Costs	Other Costs	Income	(restated)
Administration Costs					
Staff costs		-			-
Other administration costs			-		-
Operating income				-	-
Programme Costs					
Request for Resources 1					
Staff costs	9	23,940	-	-	25,548
Programme costs	10,11	-	21,328	-	16,604
Income	12	-	-	(44)	(45)
Totals		23,940	21,328	(44)	42,107
Net Operating Cost for the year ended 31 March 2012					
	3			45,224	42,107

Other Comprehensive Expenditure for the year-ended 31 March 2012

	2011-12	2010-11
	£'000	£'000
Net (gain)/loss on revaluation of Property, Plant & Equipment	(2,116)	(2,051)
Net (gain)/loss on revaluation of Intangibles	-	15
Total Comprehensive Expenditure for the year ended 31 March 2012	43,108	40,072

The notes on pages 38 to 62 form part of these accounts.

**Statement of Financial Position
as at 31 March 2012**

		2011-12 £'000	2010-11 £'000 (restated)
	Note		
Non-current assets:			
Property, plant and equipment	13	112,523	112,874
Intangible assets	14	342	251
Financial Assets	15	-	-
Non-Operational Heritage Assets	17	442	442
Total non-current assets		113,307	113,567
Current assets:			
Assets classified as held for sale	18	1,391	2,500
Inventories	20	-	-
Trade and other receivables	21	199	287
Other current assets		-	-
Financial Assets	15	-	-
Cash and cash equivalents	22	185	140
Total current assets		1,775	2,927
Total assets		115,082	116,494
Current liabilities			
Trade and other payables	24	(4,220)	(4,620)
Provisions (due not later than one year)		-	(162)
Other liabilities		-	-
Total current liabilities		(4,220)	(4,782)
Non-current assets plus/less net current assets/liabilities		110,862	111,712
Non-current liabilities			
Provisions (due later than one year)	25	(4,400)	(4,100)
Other payables	24	-	-
Financial Liabilities	15	-	-
Total non-current liabilities		(4,400)	(4,100)
Assets less liabilities		106,462	107,612
Taxpayers' equity:			
General Fund		82,722	85,906
Revaluation reserve		23,740	21,706
Donated asset reserve		-	-
Total taxpayers' equity		106,462	107,612

Signed:



Trevor Reaney
Accounting Officer / Clerk to the Assembly

Date: 25 June 2012

The notes on pages 38 to 62 form part of these accounts.

Statement of Cash Flows for the year ended 31 March 2012

		2011-12 £'000	2010-11 £'000 (restated)
	Note		
Cash flows from operating activities			
Net operating cost		(45,224)	(42,108)
Adjustments for non-cash transactions	10,11	4,507	(410)
(Increase)/Decrease in trade and other receivables		88	7
<i>less movements in receivables relating to items not passing through the SOCNE</i>		-	-
(Increase)/Decrease in Inventories		-	-
Increase/(Decrease) in trade payables		(445)	1,844
<i>less movements in payables relating to items not passing through the SOCNE</i>		254	(227)
Use of provisions	25	(30)	(35)
<i>Net cash outflow from operating activities</i>		(40,850)	(40,929)
Cash flows from investing activities			
Purchase of property, plant and equipment	13,18	(861)	(1,356)
Purchase of intangible assets	14	(212)	(271)
Proceeds of disposal of property, plant and equipment		-	-
Proceeds of disposal of intangibles		-	-
Loans to other bodies		-	-
(Repayments) from other bodies		-	-
<i>Net cash outflow from investing activities</i>		(1,073)	(1,627)
Cash flows from financing activities			
From the Consolidated Fund (Supply) - current year		42,000	42,000
From the Consolidated Fund (Supply) - prior year		-	-
From the Consolidated Fund (non-Supply)		-	-
Capital element of payments in respect of finance leases and on-balance sheet PFI contracts		-	-
<i>Net financing</i>		42,000	42,000
Net increase/(decrease) in cash and cash equivalents in the period before adjustment for receipts and payments to the Consolidated Fund		77	(556)
Receipts due to the Consolidated Fund which are outside the scope of the Department's activities		-	-
Payments of amounts due to the Consolidated Fund		(32)	(155)
Net increase/(decrease) in cash and cash equivalents in the period after adjustment for receipts and payments to the Consolidated Fund		45	(711)
Cash and cash equivalents at the beginning of the period	22	140	851
Cash and cash equivalents at the end of the period	22	185	140

The notes on pages 38 to 62 form part of these accounts.

Statement of Changes in Taxpayers' Equity for the year ended 31 March 2012

	Note	General Fund £'000	Revaluation Reserve £'000	Total Reserves £'000
Restated Balance at 31 March 2010		85,313	19,737	105,050
Changes in taxpayers' equity 2010-11				
Net Assembly Funding - drawn down		42,000	-	42,000
Net Assembly Funding - deemed		-	-	-
Consolidated Fund Standing Services		-	-	-
Supply payable/(receivable) adjustment		559	-	559
Excess Vote - Prior Year				
CFERs payable to the Consolidated Fund	6	(1)	-	(1)
Comprehensive Expenditure for the Year (restated)		(42,108)	2,081	(40,027)
Non-Cash Adjustments:				
Non-cash charges – auditors remuneration	10,11	30	-	30
Non-cash charges - other	10,11	1	-	1
Movements in Reserves:				
Transfers between reserves		112	(112)	0
Restated Balance at 31 March 2011		85,906	21,706	107,612
Changes in taxpayers' equity 2011-12				
Net Assembly Funding - drawn down		42,000	-	42,000
Net Assembly Funding - deemed		-	-	-
Consolidated Fund Standing Services		-	-	-
Supply payable/(receivable) adjustment		(66)	-	(66)
Excess Vote - Prior Year		-	-	-
CFERs payable to the Consolidated Fund	6	(11)	-	(11)
Comprehensive Expenditure for the Year		(45,224)	2,116	(43,108)
Non-Cash Adjustments:				
Non-cash charges – auditors remuneration	10,11	30	-	30
Non-cash charges - other	10,11	5	-	5
Movements in Reserves:				
Transfers between reserves		82	(82)	-
Balance at 31 March 2012		82,722	23,740	106,462

The notes on pages 38 to 62 form part of these accounts.

The Northern Ireland Assembly – Accounts 2011-12

Notes to the Assembly's resource accounts

1. Statement of accounting policies

These financial statements have been prepared in accordance with the 2011-12 Government Financial Reporting Manual (FReM) issued by DFP. The accounting policies contained in the FReM apply International Financial Reporting Standards (IFRS) as adapted or interpreted for the public sector context.

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

In addition to the primary statements prepared under IFRS, the FReM also requires the Northern Ireland Assembly to prepare an additional primary statement. The *Statement of Assembly Supply* and supporting notes show outturn against Estimate in terms of the net resource requirement and the net cash requirement.

1.1 Accounting convention

These accounts have been prepared under the historical cost convention modified to account for the revaluation of property, plant and equipment and intangible assets.

1.2 Going Concern

The financial statements for 2011-12 have been prepared on the going concern basis.

1.3 Property, Plant and Equipment

As outlined in paragraph 35 of the International Accounting Standards Board's (IASB's) Framework for the Preparation and Presentation of Financial Statements "information within financial statements should represent faithfully the transactions that it purports to represent. It is necessary that transactions are accounted for and presented in accordance with their substance and economic reality and not merely their legal form." While DFP holds legal title to Parliament Buildings the Northern Ireland Assembly is the beneficial owner of Parliament Buildings and as such recognises the property as an asset on its Statement of Financial Position. The building has been stated at a revalued amount (based on fair value) using a professional valuation. This exercise is to be repeated every five years with appropriate interim valuations to be used in the intervening years.

Other non-current assets are capitalised at their cost of acquisition (including any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended) and are revalued annually by reference to appropriate indices compiled by the Office for National Statistics. The threshold for capitalisation as a non-current asset is £500 for IT equipment and £1,000 for all other assets.

Assets are pooled where there are a large number of certain types of asset which, if treated singly, would fall below the capitalisation threshold, but which, if aggregated, have a value exceeding £1,000. Assets which have been pooled include computer hardware, office equipment and office furniture. Depreciation on the value of these assets is charged to the Statement of Comprehensive Net Expenditure.

Subsequent expenditure is included in the carrying amount of the asset in the same way as the initial spend if it is probable that there will be future economic benefit and the cost can be reliably measured. Any parts of an asset that are replaced are derecognised.

Revaluation losses are charged firstly against any existing revaluation surplus, with any remaining charge being expenses to the Statement of Comprehensive Net Expenditure.

1.4 Heritage assets

Heritage assets are those that “are intended to be preserved in trust for future generations because of their cultural, environmental and historical associations”. Heritage assets generally display the following characteristics:

- their value is unlikely to be fully reflected in a financial value derived from price;
- there are severe restrictions on disposal;
- they are often irreplaceable, and their value may increase over time even if their physical condition deteriorates; and
- they may require significant maintenance expenditure so that they can continue to be enjoyed by future generations;
- their life is measured in hundreds of years.

In accordance with FReM, for non-operational heritage assets purchased within the accounting period they are valued at cost. For existing non-operational heritage assets where there is a market in assets of that type, they are valued at market value for existing use or otherwise at depreciated replacement cost. Valuations are performed by experts in the field of art and antiques and are carried out with sufficient frequency to ensure that the valuations remain current. Where the asset could not or would not be replaced the value is nil. Operational heritage assets are valued and incorporated within the asset register as at 1.3 above.

1.5 Donated assets

These are assets donated by third parties, either by gift of the assets or funds to buy the asset. Following the implementation of *IAS 20 – Accounting for Government Grants* within FReM for periods beginning on or after 1 April 2011, donated assets should be recognised as income in the Statement of Comprehensive Net Expenditure when receivable unless there are conditions on their use which, if not met, would mean that the donated asset must be returned. In such cases, the income should be deferred and released when the conditions are met. The Donated Asset Reserve has been removed and a prior period adjustment has been made - see notes 1.22 and 1.23.

1.6 Intangible Assets

Intangible Assets are assets which are identifiable, non-monetary assets without physical substance, e.g. computer software. Intangible assets are recognised at cost and subsequently carried at a revalued amount as described in paragraph 1.3. They are depreciated as described in paragraph 1.7 below.

1.7 Depreciation

Property, Plant and Equipment assets and Intangible assets are depreciated at rates calculated to write them down to estimated residual value on a straight-line basis over their estimated useful lives. No depreciation is provided on freehold land and items for collections since they have unlimited or very long estimated useful lives. The principal asset lives used for depreciation purposes are:

	Life (years)
Buildings	50
Information technology	4
Office equipment	5
Furniture & fittings	between 5 and 10

1.8 Impairment of Assets

An impairment loss is recognised when the recoverable amount of an item of Property, Plant and Equipment falls below the carrying amount. It is recognised as an expense in the Statement of Comprehensive Net Expenditure, unless it relates to a previously revalued asset when it should be recognised against any existing revaluation surplus for the asset to the extent that the loss does not exceed the amount of the revaluation surplus of the asset. Once the loss is recognised the depreciation charge is adjusted for future periods to allocate the asset's revised carrying amount less residual value on a systematic basis over the remaining useful life.

1.9 Non-current Assets held for Sale

These are assets for which the carrying amount will be recovered principally through a sale transaction rather than through continuing use. To be classified as such, an asset must be available for immediate sale in its present condition, with a sale being highly probable, and with both a firm plan to sell the asset and an active programme to locate a buyer in place. These assets are measured at the lower of the carrying amount and fair value (less costs to sell). Once an asset is classified as a non-current asset held for sale depreciation ceases to be charged.

1.10 Revenue

Revenue is income that relates directly to the ordinary activities of the Northern Ireland Assembly. It comprises:

- sale of souvenir stock;
- public telephone calls;

- stationery - recovery of cost;
- postage - recovery of cost; and
- recoupment of salary costs of staff seconded to other public sector bodies during suspension.

This includes both accruing resources of the Vote and income to the Consolidated Fund that DFP has agreed should be treated as revenue.

1.11 Administration and programme expenditure

The Statement of Comprehensive Net Expenditure is analysed between administration and programme costs. For the Northern Ireland Assembly all costs incurred are programme costs, incorporating payments of allowances and other disbursements by the Assembly.

1.12 Foreign exchange

Transactions which are denominated in a foreign currency are translated into sterling at the exchange rate ruling on the date of each transaction.

1.13 Employee Benefits

Where an employee has provided a service during the accounting period, in exchange for an employee benefit to be paid at some point in the future, the Northern Ireland Assembly recognises the undiscounted amount of the benefit as an expense in the Statement of Comprehensive Net Expenditure for the period. Such benefits include wages, salaries, social security contributions, paid annual leave or flexi leave and paid sick leave.

1.14 Pensions

Present and past employees are covered by the provisions of the Principal Civil Service Pension Scheme NI (PCSPS (NI)). This defined benefit scheme is unfunded and is non-contributory except in respect of dependants' benefits. The Assembly recognises the expected cost of these elements on a systematic and rational basis over the period during which it benefits from employees' services by payment to the PCSPS (NI) of amounts calculated on an accruing basis. Liability for payment of future benefits is a charge on the PCSPS (NI).

Pension benefits for the Members are provided through the Assembly Members' Pension Scheme. This scheme is a statutory scheme, which provides benefits on a "final salary" basis at a normal retirement age of 65 (or age 60, if reckonable service is more than 20 years, with a sliding scale from 60 to 65). Members opt to pay contributions of either 11.5% of pensionable salary, including Office Holder's salary or 6% of pensionable salary, including Office Holder's salary. All pensions increase in line with the Consumer Price Index once in payment.

1.15 Early departure costs

The Northern Ireland Assembly is required to meet the additional cost of benefits beyond the normal PCSPS (NI) benefits in respect of employees who retire early. The Assembly provides in full for this cost when the early retirement programme has been announced and is binding on the Assembly. The Assembly may, in certain circumstances, settle some or all of its liability in advance by making a payment to the Paymaster General's account at the Bank of England for the credit of the Civil Superannuation Vote. The amount provided is shown net of any such payments.

1.16 Provisions

The Northern Ireland Assembly provides for legal or constructive obligations which are of uncertain timing or amount at the Statement of Financial Position date on the basis of the best estimate of the expenditure required to settle the obligation. Where the effect of the time value of money is significant, the estimated risk-adjusted cash flows are normally discounted using the Treasury discount rate of 3.5% in real terms. However, the discount rate used for the provision for pension costs was 4.9% p.a. reflecting the real yields experienced in the bond markets (see Note 25.1).

1.17 Contingent liabilities

In addition to contingent liabilities disclosed in accordance with IFRS 37, the Assembly Commission discloses for Assembly reporting and accountability purposes certain statutory and non-statutory contingent liabilities where the likelihood of a transfer of economic benefit is remote, but which have been reported to the Assembly in accordance with the requirements of *Managing Public Money Northern Ireland*. These comprise:

- Items over £250,000 (or lower where required by specific statute) that do not arise in the normal course of business and which are reported to the Northern Ireland Assembly by Assembly Minute prior to the Assembly entering into the arrangement;
- All items (whether or not they arise in the normal course of business) over £250,000 (or lower where required by specific statute or where material in the context of resource accounts) which are required by the FReM to be noted in the resource accounts.

Where the time value of money is material, contingent liabilities which are required to be disclosed under IFRS 37 are stated at discounted amounts and the amount reported to the Assembly separately noted. Contingent liabilities that are not required to be disclosed by IFRS 37 are stated at the amounts reported to the Assembly.

1.18 Value added tax

In the Northern Ireland Assembly output tax generally does not apply and input

tax is recovered on a monthly basis from DFP. Where input tax is recoverable, the amounts are stated net of vat.

1.19 Leases

Where substantially all risks and rewards of ownership of a leased asset are borne by the Assembly, the asset is recorded as a tangible asset and a debt is recorded to the lesser for the minimum lease payments discounted by the interest rate implicit in the leases. The interest element of the finance lease payment is charged to the Statement of Comprehensive Net Expenditure over the period of the lease at a constant rate in relation to the balance outstanding. Other leases are regarded as operating leases and the rentals are charged to the Statement of Comprehensive Net Expenditure on a straight-line basis over the term of the leases.

1.20 Financial Assets and Financial Liabilities

The Northern Ireland Assembly has no powers to borrow or invest surplus funds. A financial asset or financial liability is recognised in the Statement of Financial Position when the Northern Ireland Assembly becomes party to the contractual provision of the financial instrument. Initial recognition is at fair value. As financial assets and liabilities of the Northern Ireland Assembly are generated by the day-to-day operational activities, that is, trade contracts to buy non-financial items in line with the Assembly's expected purchase and usage requirements, fair value is deemed to be the transaction price where the impact of discounting is immaterial. When a financial asset or financial liability is recognised it is categorised appropriately and is de-recognised when the contractual right to or obligation for cash flow expires.

1.21 Prior Period Adjustments – Downward Revaluation

Property, Plant & Equipment (PPE) and Intangible Assets are carried at revalued amount. At 31 March 2011, the value of Intangible Assets and assets within the PPE category of Information Technology were decreased as a result of revaluation. IAS 16 requires that downward revaluations should be recorded in the Statement of Comprehensive Net Expenditure except to the extent that the amount of the downward valuation can be matched against an existing credit balance within the Indexation Reserves for that category of asset. At 31 March 2011 there were existing credit balances in the Indexation Reserves for both Intangible Assets and Information Technology and the full amount of the downward revaluations were taken directly to Other Comprehensive Expenditure in the 2010-11 Resource Accounts. This treatment was incorrect, however, as the value of the downward revaluations exceeded the credit balances in the respective Indexation Reserves of both categories of assets by a combined total of £45k. This amount of £45k should have been taken to the Statement of Comprehensive Net Expenditure. The 2010-11 figures in these accounts, excluding the Statement of Assembly Supply and related notes, have been restated for this effect via a Prior Period Adjustment (PPA). The impact of this adjustment on Supply outturn in respect of 2010-11 is shown in note 1.23.

1.22 Prior Period Adjustments – Removal of the Donated Asset Reserve

In line with DFP's advice, Prior Period Adjustments (PPAs) arising from the change in treatment of non-exchange transactions including the removal of the Donated Asset Reserve were not included in Spring Supplementary Estimates for 2011-12, other than as a note. The impact of these accounting policy changes on Supply outturn in respect of 2010-11 are shown in note 1.23.

1.23 Impact of Prior Period Adjustments

The Prior Period Adjustments in respect of the error in recording a downward revaluation in Intangible Assets and Property, Plant & Equipment and the change in treatment of non-exchange transactions (including the removal of the Donated Asset Reserve) have the following effect on Resource Outturn in 2010-11. The Statement of Assembly Supply and related notes have not been restated for this effect.

	2010-11
	£'000
Net Resource Outturn (as reported in Statement of Assembly Supply per 2010-11 Resource Accounts)	42,066
Downward revaluation of Intangible Assets and Property, Plant & Equipment	45
Effect of change in treatment of non-exchange transactions	(3)
Adjusted Net Resource Outturn	42,108

1.24 Impending application of newly issued accounting standards not yet effective

The IASB have issued new and amended standards (IFRS 10, IFRS 11 & IFRS 12) that affect the consolidation and reporting of subsidiaries, associates and joint ventures. These standards have an effective date of January 2013, but have not yet been EU adopted. The application of these IFRS changes is subject to further review by Treasury and the other Relevant Authorities before due process consultation. Accounting boundary IFRS' are currently adapted in the FReM so that the Westminster departmental accounting boundary is based on ONS control criteria, as designated by Treasury. A review of the NI financial process is currently under discussion with the Executive, which will bring NI departments under the same adaptation. Should this go ahead, the impact on departments is expected to focus around the disclosure requirements under IFRS 12. The impact on the consolidation boundary of NDPB's and trading funds will be subject to review, in particular, where control could be determined to exist due to exposure to variable returns (IFRS 10), and where joint arrangements need reassessing.

2 Analysis of net resource outturn by section

						2011-12 £'000	2010-11 £'000		
						Estimate			
						Net total outturn compared with Estimate		Prior Year Outturn	
	Admin	Other Current	Grants	Gross resource expenditure	ARs	Net Total	Net Total		
Request for Resources 1 – Members' salaries, expenses and administration costs	-	45,268	-	45,268	(33)	45,235	52,112	6,877	42,066
Departmental Expenditure in DEL:									
A-1 Administration									
	-	44,933	-	44,933	(33)	44,900	46,038	1,138	44,976
Annually Managed Expenditure (AME):									
A-2 Administration Provisions									
	-	300	-	300	-	300	6,040	5,740	(2,941)
Non-Budget:									
A-3 Notional Charges									
	-	35	-	35	-	35	34	(1)	31
Resource Outturn	-	45,268	-	45,268	(33)	45,235	52,112	6,877	42,066

A surplus Net Resource Outturn of £6.88 million and a surplus Net Cash Requirement of £1.98 million against the Spring Supplementary Estimate position is shown. The total Net Resource underspend of £6.88 million represents 13.2% of the **total** Spring Supplementary Estimate position. The most significant underspend is in Non-Cash, £5.8 million, which represents 11.2% of the Spring Supplementary Estimate. Of this underspend £5.7 million relates to AME Non-cash. The remaining £1.04 million (2.00%) underspend has occurred across a number of expenditure categories.

Detailed explanations of the variances are given in the Financial Review section of the Management Commentary on page 11.

Key to Request for Resources and Sections

Request for resources 1 – Remunerating and supporting Members of the Assembly in discharging their duties in the constituencies, in the Assembly and elsewhere, the costs of general administration including staff costs, general expenses and equipment, accommodation, other services and associated non-cash items.

3 Reconciliation of outturn to net operating cost and against Administration Budget

3.1 Reconciliation of net resource outturn to net operating cost

				2011-12 £'000	2010-11 £'000
	Note	Outturn	Supply Estimate	Outturn Compared With Estimate	Outturn
Net Resource Outturn	2	45,235	52,112	6,877	42,066
Prior Period Adjustment – downward revaluation	1.21	-	-	-	45
Prior Period Adjustment - non-exchange transactions	1.22	-	-	-	(3)
Non-supply income (CFERs)	5	(11)	(10)	1	(1)
Non-supply Expenditure					
Net operating cost		45,224	52,102	6,878	42,107

Detailed explanation of variances between Estimate and Outturn are given in the Financial Review contained within the Management Commentary on page 11

3.2 Outturn against final Administration Budget

The Northern Ireland Assembly is independent from the Northern Ireland Executive for funding purposes and receives programme funding only.

4 Reconciliation of net resource outturn to net cash requirement

		Estimate	Outturn	Net Total outturn compared with Estimate: savings/(excess)
		£'000	£'000	£'000
Resource Outturn	Note 2	52,112	45,235	6,877
Capital:				
Acquisition of property, plant and equipment	13,18	1,038	607	431
Acquisition of intangible assets	14	-	212	(212)
Investments		-	-	-
Accruals adjustments:				
Non-cash items	10,11	(10,199)	(4,507)	(5,692)
Changes in working capital other than cash		802	357	445
Changes in payables falling due after more than one year		-	-	-
Use of provision	25	162	30	132
Excess cash receipts surrenderable to the Consolidated Fund	5	-	-	-
Net Cash Requirement		43,915	41,934	1,981

5 Analysis of income payable to the Consolidated Fund

In addition to accruing resources, the following income relates to the Assembly and is payable to the Consolidation Fund (*cash receipts being shown in italics*).

	Note	Forecast 2011-12 £'000		Outturn 2011-12 £'000	
		Income	Receipts	Income	Receipts
Operating income and receipts - excess AR					
Other Operating income & receipts not classified as AR		10	<i>10</i>	11	<i>11</i>
Total income payable to the Consolidated Fund		10	<i>10</i>	11	<i>11</i>

6 Reconciliation of income recorded within the Statement of Comprehensive Net Expenditure to operating income payable to the Consolidated Fund

		2011-12	2010-11
		£'000	£'000
	Note		
Operating income	12	44	45
Adjustments for transactions between RfRs		-	-
Gross Income		44	
Income authorised to be Accruing Resources		(33)	(44)
Operating Income payable to the Consolidated Fund	5	11	

7 Non-operating income – Excess Accruing Resources (AR)

The Northern Ireland Assembly had no non-operating income – excess AR.

8 Statement of Operating Costs by Operating Segment

As required under Section 40, paragraph (4) of the Northern Ireland Act 1998, the Assembly Commission is responsible for ensuring that the necessary property, staff and services are provided to support the successful operation of the Assembly. The Commission's purpose and that of its Secretariat is to serve and support the Assembly in its role of representing the interests of the electorate; making effective legislation and influencing the Executive and holding it to account.

Although the Secretariat has an internal structure comprising six Directorates, these Directorates are essentially support functions in the pursuit of the organisation's overall aim - to ensure the provision of resources and services enabling the Assembly Commission to meet its legal obligations. It is at an overall organisational level that performance information is routinely reported to and reviewed by the Secretariat Management Group (SMG). As such, the Assembly considers that it operates with a single Operating Segment.

9 Staff numbers and related costs

Staff costs comprise:

	2011-12					2010-11
	£'000					£'000
	Total	Permanently employed staff	Members	Agency, temporary and contract staff	Special Advisors	Total
Wages and salaries	18,693	13,170	5,242	281	-	20,495
Social security costs	1,602	1,044	558	-	-	1,486
Other pension costs	3,645	2,423	1,222	-	-	3,567
Sub Total	23,940	16,637	7,022	281	-	25,548
Less recoveries in respect of outward secondments	(30)	(30)	-	-	-	(40)
Total net costs *	23,910	16,607	7,022	281	-	25,508

* Of the total, £0 has been charged to capital.

The Principal Civil Service Pension Scheme (Northern Ireland) (PCSPS (NI)) is an unfunded multi-employer defined benefit scheme but the Assembly is unable to identify its share of underlying assets and liabilities. A full actuarial valuation was carried out at 31 March 2010. Details can be found in the resource accounts of the Cabinet Office: Civil Superannuation (www.civilservice-pensions.gov.uk).

For 2011-12, contributions of £2,422,968 were paid to the PCSPS (NI) (2010-11; £2,357,316) at one of four rates in the range 18 to 25 per cent (2010-11: 18 to 25 per cent) of pensionable pay based on salary bands. The scheme's Actuary reviews employer contributions every four years following a full scheme valuation. The salary band and contribution rates were revised for 2010-11. Salary bands were again revised for 2011-12. The contribution rates reflect benefits as they are accrued, not when the costs are actually incurred, and reflect past experience of the scheme.

Employees can opt to open a partnership pension account, a stakeholder pension with an employer contribution. Employers' contributions of £7,923 (2010-11; £5,283) were paid to an appointed stakeholder pension provider. Employer contributions are age-related and range from 3 per cent to 12.5 per cent (2010-11; 3 to 12.5 per cent) of pensionable pay. Employers also match employee contributions up to 3 per cent of pensionable pay. In addition, employer contributions of £503 (2010-11; £309), 0.8 per cent of pensionable pay were payable to the PCSPS (NI) to cover the cost of the future provision of lump sum benefits on death in service and ill health retirement of these employees. Contributions paid due to partnership pension providers at the balance sheet date were nil. Contributions prepaid at that date were nil.

No staff (2010-11: 2 staff) retired early on ill-health grounds; the total additional accrued

pension liabilities in the year amounted to £Nil (2010-11; £3,471).

Pension benefits for the Members are provided through the Assembly Members' Pension Scheme. This scheme is a statutory scheme, which provides benefits on a "final salary" basis at a normal retirement age of 65 (or age 60, if reckonable service is more than 20 years, with a sliding scale from 60 to 65). Members pay contributions of 11.5% of pensionable salary, including Office Holder's salary. Members may opt to accrue benefits more slowly paying contributions at a rate of 6% of pensionable salary. All pensions increase in line with the Consumer Price Index once in payment. There is a separate scheme statement for the Assembly Members' Pension Scheme. The rules of the Assembly Members' Pension Scheme require the employer to meet the balance of the cost of providing the benefits as recommended by the actuary from time to time. There is currently a liability of £4.4 million, and this is provided for in the accounts in line with FReM and IAS 19. The rate used to discount scheme liabilities is 2.3%. A full actuarial valuation was carried out for the period ending 31 March 2012 by the Government Actuary.

For 2011-12, contributions of £1,221,723 (2010-11; £1,210,468) were paid to the Assembly Members' Pension Scheme. Contributions were at a rate of 23.3% (2010-11; 23.3%) of pensionable pay, as determined by the Government Actuary and advised by the Treasury.

Average number of persons employed

The average number of whole-time equivalent persons employed during the year was as follows.

Objective	2011-12					2010-11
	Total	Permanent staff	Members	Agency, temporary and contract staff	Special Advisers	Number
1	511	396	108	7	-	524
Total	511	396	108	7	-	524

During 2011-12, an average of 1 member of staff (2010-11: 1) was out-posted to other public sector employers.

The Northern Ireland Assembly does not employ any staff exclusively for capital projects.

There was no loss of office recorded for the period under review and therefore no compensation was paid.

10 Other Administration Costs

All costs incurred by the Northern Ireland Assembly are programme costs, incorporating

payments of allowances and other disbursements by the Assembly (see note 1.11).

11 Programme Costs

	2011-12	2010-11
	£'000	£'000 (restated)
Note		
Payments to Members		
Office Cost Expenditure	7,433	7,771
Members' winding-up costs	824	158
Other Members' costs	743	799
Party Allowance	790	786
Other Costs		
Premises	1,262	1,115
Office running costs	818	1,068
Contracted services	2,824	2,809
Repairs & maintenance	1,341	1,252
Staff travel, subsistence and training	332	403
Miscellaneous expenses	448	844
Rentals under operating leases	6	10
Total cash items	16,821	17,015
Non-cash items		
Depreciation	3,154	3,113
Permanent diminution of assets	1,153	69
Reversal of previous impairment loss	(3)	(682)
Miscellaneous notional charges	5	1
Auditor's remuneration and expenses (notional)	30	30
Borrowing costs on provisions	-	-
Release of provisions	(132)	(2,941)
Provisions: provided in year	300	-
(Profit)/Loss on disposal of assets	-	-
Total non-cash items	4,507	(410)
Total	21,328	16,605

12 Income

	2011-12 £'000	2010-11 £'000
	Total	Total
Recoupment of salaries	30	40
Other Income	14	5
Total	44	45

13 Property, plant and equipment

	Land £'000	Buildings £'000	Information technology £'000	Office equipment £'000	Security Equipment £'000	Furniture & fittings £'000	Total £'000
Cost or valuation							
At 1 April 2011	7,500	102,828	1,595	2,440	966	2,058	117,387
Additions	-	147	182	85	88	61	563
Donations	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-
Impairments	-	-	2	-	-	-	2
Reclassifications	-	-	-	-	-	-	-
Revaluations	(2,000)	2,029	-	(22)	(9)	7	5
At 31 March 2012	5,500	105,004	1,779	2,503	1,045	2,126	117,957
Depreciation							
At 1 April 2011	-	-	1,220	1,174	394	1,725	4,513
Charged in year	-	2,100	196	489	195	52	3,032
Disposals	-	-	-	-	-	-	-
Impairments	-	-	-	-	-	-	-
Reclassifications	-	-	-	-	-	-	-
Revaluations	-	(2,100)	-	(11)	(3)	3	(2,111)
At 31 March 2012	-	-	1,416	1,652	586	1,780	5,434
Carrying amount							
At 31 March 2012	5,500	105,004	364	851	459	346	112,523
At 31 March 2011	7,500	102,828	375	1,266	572	333	112,874
Asset financing							
Owned	5,500	105,004	363	851	459	346	112,523
Financed leased	-	-	-	-	-	-	-
On-balance sheet PFI contracts	-	-	-	-	-	-	-
At 31 March 2012	5,500	105,004	363	851	459	346	112,523

Parliament Buildings is an operational heritage asset which opened in 1932, and as such is included in the Northern Ireland Assembly's property, plant and equipment figures.

A full valuation of Parliament Buildings and the land on which it is situated was undertaken by Lands and Property Services at 30 November 2011 and an updated interim valuation was undertaken on 29 March 2012. Other property, plant and equipment are valued using indices reflecting the period-end position obtained from the Office for National Statistics. Donated assets with a carrying amount of £1k are included under Furniture & fittings.

2010/2011

	Land	Buildings	Information technology	Office equipment	Security Equipment	Furniture & fittings	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Cost or valuation							
At 1 April 2010	10,800	101,077	1,434	2,042	551	1,969	117,873
Additions		386	319	147	351	135	1,338
Donations							
Disposals				(7)			(7)
Impairments			(11)				(11)
Reclassifications	(1,800)			69		(69)	(1,800)
Revaluations	(1,500)	1,365	(147)	189	64	23	(6)
At 31 March 2011	7,500	102,828	1,595	2,440	966	2,058	117,387
Depreciation							
At 1 April 2010			973	656	242	1,634	3,505
Charged in year		2,057	340	463	136	77	3,073
Disposals							
Impairments							
Reclassifications							
Revaluations		(2,057)	(93)	55	16	14	(2,065)
At 31 March 2011		-	1,220	1,174	394	1,725	4,513
Carrying amount							
At 31 March 2011	7,500	102,828	375	1,266	572	333	112,874
At 31 March 2010	10,800	101,077	461	1,386	309	335	114,368
Asset financing							
Owned	7,500	102,828	375	1,266	572	333	112,874
Financed leased	-	-	-	-	-	-	-
On-balance sheet PFI contracts	-	-	-	-	-	-	-
At 31 March 2011	7,500	102,828	375	1,266	572	333	112,874

14 Intangible Assets

Intangible Assets comprises Software Licenses

	Total £'000
Cost or valuation	
At 1 April 2011	344
Additions	212
Donations	-
Disposals	-
Impairments	-
Revaluations	1
At 31 March 2012	<u>557</u>
Amortisation	
At 1 April 2011	93
Charged in year	122
Disposals	-
Impairments	-
Revaluations	-
At 31 March 2012	<u>215</u>
Carrying amount at 31 March 2012	342
Asset financing	
Owned	342
Leased	-
At 31 March 2012	<u>342</u>
	Total £'000
Cost or valuation	
At 1 April 2010	102
Additions	271
Donations	
Disposals	
Impairments	(14)
Revaluations	(15)
At 31 March 2011	<u>344</u>
Amortisation	
At 1 April 2010	44
Charged in year	49
Disposals	-
Impairments	-
Revaluations	-
At 31 March 2011	<u>93</u>
Carrying amount at 31 March 2011	251
Asset financing	
Owned	251
Leased	-
At 31 March 2011	<u>251</u>

15 Financial instruments

The Northern Ireland Assembly, because of the largely non-trading nature of its activities and as its cash requirements are met through the Estimates process, is not exposed to the degree of financial risk faced by non-public sector bodies of a similar size. The Assembly has no powers to borrow or invest surplus funds. Financial assets and liabilities are generated by the day-to-day operational activities, that is, trade contracts to buy non-financial items in line with the Assembly's expected purchase and usage requirements. The Assembly does not hold financial instruments to change the risks faced in undertaking its activities and it is therefore not exposed to market, credit, liquidity, or interest rate risk.

16 Investments in other public sector bodies

The Assembly has no investments in other public sector bodies.

17 Non-Operational Heritage Assets

	2011-12	2010-11
	£'000	£'000
Art and Antique Collection	442	442
	442	442

Non-Operational Heritage Assets relate to the Assembly's art and antique collection. The collection includes a number of paintings, antiques and parliamentary items which were inherited by the Assembly from previous legislatures. Prior to the implementation of IAS 20 the value of these donated assets was represented by a credit balance in the donated asset reserve. Following the removal of this reserve the value of the assets has been recorded in the General Fund as though they were treated as income upon receipt. A prior period adjustment has been made to account for this – see Notes 1.22 and 1.23. The last valuation of the collection indicated that its value 31 December 2010 was £442,000. This valuation was undertaken by a professional valuer, Mark Donnelly Fine Art, and it is intended that further valuations will be carried out at the commencement of each new mandate.

18 Assets classified as Held for Sale

	2011-12	2010-11
	£'000	£'000
Land & Buildings	1,391	2,500
	1,391	2,500

Assets classified as held for sale relate to land and buildings at Ormiston House. During the previous financial year the Assembly Commission took the decision to dispose of the property using a twin track approach. This involved placing the property for sale on the open market while simultaneously pursuing planning approval for limited development of the surrounding site. As the Assembly Commission was committed to disposing of the asset it was reclassified at 31 March 2011 from Property, Plant & Equipment to Assets

classified as held for sale in accordance with FReM and IFRS 5. At the 31 March 2012 the Assembly remain committed to the sale of the asset. An application for planning approval was submitted in December 2010 and a determination is due in early June. There has been a reasonable level of interest in the property and the Commission is continuing to work with its agent in an attempt to agree a sale. The asset therefore remains classified as held for sale in these accounts and it is carried in the Assembly's Statement of Financial Position at its alternative use Open Market Value of £1,400,000, as determined by Lands and Property Services, less costs to sell which are estimated at £9,000. After accounting for additions of £44,000 made during the period, this value represents a loss on revaluation of £1,153,000 when compared to the valuation at alternative use Open Market Value at 31 March 2011. In accordance with FReM, IAS 16 and IAS 36, this loss has been taken directly to the Statement of Comprehensive Net Expenditure.

19 Impairments

The total impairment charge for the year was made up as follows:

	2011-12		2010-11	
	SOCNE	Revaluation	SOCNE	Revaluation
	£'000	Reserve £'000	£'000	Reserve £'000
Land & Buildings	-	-	(682)	-
Information technology	(2)	-	11	-
Office equipment	-	-	-	-
Security Equipment	-	-	-	-
Furniture & fittings	-	-	-	-
Intangible Assets	(1)	-	14	-
Assets Held for Sale	1,153	-	-	-
Total	1,150	-	(657)	-

20 Inventories

The Assembly does not hold any inventories.

21 Trade receivables and other current assets

	2011-12 £'000	2010-11 £'000
Amounts falling due within one year:		
Value Added Tax	97	213
Prepayments and accrued income	88	55
Sundry debtors	14	19
Amounts due from the Consolidated Fund in respect of supply	-	-
	199	287
Amounts falling due after more than one year:	-	-

21.1 Intra-Government Balances

	Amounts falling due within one year	
	£'000	£'000
	2011-12	2010-11
Balances with other central government bodies	97	213
Subtotal: intra-governmental balances	97	213
Balances with bodies external to government	102	74
Total receivables at 31 March 2012	199	287

There are no amounts included within trade receivables (2010-11: £Nil) that will be due to the Consolidated Fund once the debts are collected.

22 Cash and cash equivalents

	2011-12 £'000	2010-11 £'000
Balance at 1 April 2011	140	851
Net change in cash and cash equivalent balances	45	(711)
Balance at 31 March 2012	185	140
The balances at 31 March were held at:		
Commercial banks and cash in hand	185	140

23 Reconciliation of Net Cash Requirement to increase / (decrease) in cash

	2011-12	2010-11
	£'000	£'000
Net Cash Requirement	(41,934)	(42,557)
From the Consolidated Fund (Supply) - current year	42,000	42,000
From the Consolidated Fund (Supply) - prior year		-
Amounts due to the Consolidated Fund received and not paid over Payments of amounts due to the Consolidated Fund this year relating to the prior year	7 (28)	1 (155)
Increase / (decrease) in cash	45	(711)

24 Trade payables and other current liabilities

	2011-12	2010-11
	£'000	£'000
Amounts falling due within one year:		
Other taxation and social security	600	311
Other payables	(1)	219
Accruals and deferred income	3,438	3,952
Amounts issued from the Consolidated Fund for supply but not spent at year end	176	110
Consolidated Fund extra receipts due to be paid to the Consolidated Fund:		
Received	7	28
Receivable	-	-
	4,220	4,620
Amounts falling due after more than one year:	-	-

Accruals and deferred income relate to both Member's Office Costs Expenditure and the Assembly Secretariat.

24.1 Intra-Government Balances

	Amounts falling due within one year	
	£'000	£'000
	2011-12	2010-11
Balances with other central government bodies	782	449
Subtotal: intra-governmental balances	782	449
Balances with bodies external to government	3,438	4,171
Total payables at 31 March 2012	4,220	4,620

25 Provisions for liabilities and charges

	Pension Costs	Personnel Management Costs	Total
	£'000	£'000	£'000
Balance at 1 April 2011	4,100	162	4,262
Provided in the year	300	-	300
Provision not required written back	-	(132)	(132)
Provision utilised in the year	-	(30)	(30)
Borrowing Costs	-	-	-
Balance at 31 March 2012	4,400	-	4,400

Analysis of expected timing of discounted flows

	Pension Costs	Personnel Management Costs	Total
	£'000	£'000	£'000
Not later than one year	-	-	-
Later than one year and not later than five years	-	-	-
Later than five years	4,400	-	4,400
Balance at 31 March 2012	4,400	-	4,400

25.1 Pension Costs

Pension benefits for Assembly Members are provided through the Assembly Members' Pension Scheme. This scheme is a statutory scheme, which provides benefits on a "final salary" basis at a normal retirement age of 65 (or age 60, if reckonable service is more than 20 years, with a sliding scale from 60 to 65). The rules of the Scheme require the

employer to meet the balance of the cost of providing the benefits as recommended by the actuary from time to time. There is a liability of £4.4 million and, in accordance with FReM and IAS 19, this has been provided for in the 2011-12 financial year. The value of £4.4 million was estimated by the Government Actuary's Department and represents the excess of the Scheme's liabilities over its assets at the Statement of Financial Position date. The Actuary used a discount factor of 4.9% to establish the present value of the future obligation. This rate reflects the real yields experienced in the bond markets for high quality corporate bonds rated AA or higher and equivalent in currency and term to the scheme liabilities.

26. Capital and Other Commitments

26.1 Capital Commitments

Capital expenditure authorised at 31 March 2012 was as follows:

	2011-12 £'000	2010-11 £'000
Contracted capital commitments at 31 March not otherwise included in these financial statements:		
Property, plant and equipment:	615	810
Intangible assets:	584	465
As at 31 March 2012	1,199	1,275

26.2 Commitments under leases

26.2.1 Operating Leases

The future minimum lease payments under operating leases are given in the table below for each of the following periods:

	2011-12 £'000	2010-11 £'000
Other:		
Not later than one year	-	3
Later than one year but not later than five years	-	-
Later than five years	-	-
	-	3

26.2.2 Finance Leases

There are no obligations under finance leases.

26.3 Commitments under PFI contracts

There were no such commitments at 31 March 2012.

26.4 Other financial commitments

The Assembly has entered into non-cancellable contracts (which are not leases or PFI contracts), for a wide range of services and maintenance. The payments to which the Assembly is committed are as follows:

	2011-12 £'000	2010-11 £'000
Not later than one year	3,853	2,299
Later than one year but not later than five years	3,775	2,800
Later than five years	118	-
	7,746	5,099

27 Contingent liabilities disclosed under IAS 37

There were no contingent liabilities at 31 March 2012.

28 Contingent liabilities not required to be disclosed under IAS 37 but included for assembly reporting and accountability purposes

There were no contingent liabilities at 31 March 2012.

29 Losses and special payments

	2011-12 £'000	2010-11 £'000
Write-Offs	-	(1)
Compensation/Ex-gratia Payments	-	6
	-	5

There have been no Write-Offs or Compensation/Ex-gratia payments during 2011-12.

30 Related-party transactions

The Northern Ireland Assembly is independent from the Executive for funding purposes. It has a number of transactions with the Executive and with other Government departments and public bodies. Most of these transactions have been with DFP.

Related party transactions during the financial year with DFP relate to the utilisation of their call-off contracts, for example, for the provision of security and the Dial Network. None of the post-holders within the Assembly holds any post within DFP.

None of the Members, key managerial staff or other related parties has undertaken any material transactions with the Northern Ireland Assembly during the year.

The Northern Ireland Assembly Commission supports the work of the Northern Ireland Assembly and Business Trust (NIABT). The NIABT is an independent and neutral

educational charity which serves to provide Assembly Members with a better insight into how the local business sector operates and to improve the business community's understanding of how the Assembly and Devolution works. The NIABT's board of Trustees consists of 6 MLA's, one member of Secretariat staff and 8 representatives from the business community.

During 2011-12 the Northern Ireland Assembly Commission and NIABT jointly sent representatives to attend externally organised conferences. The Assembly Secretariat facilitated the payment of some expenses on behalf of the NIABT with the NIABT refunding the Northern Ireland Assembly Commission for their portion of costs. In total £15,883 has been paid by the Assembly Secretariat on behalf of NIABT in this period and of this amount, £14,649 has been reimbursed and £1,234 remains outstanding at 31 March 2012.

31 Entities within the Assembly boundary

The Northern Ireland Assembly does not currently support any agencies, non-departmental bodies (NDPBs) or trading funds.

32 Date authorised for issue

The Accounting Officer/Clerk to the Assembly authorised these financial statements for issue on 27 June 2012.

The Speaker



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Mr Trevor Reaney
Clerk to the Assembly/Director General
Northern Ireland Assembly
Parliament Buildings
Belfast
BT4 3XX

19 May 2010

Dear Trevor

DELEGATION OF FUNCTIONS (REVISED NOVEMBER 2009)

The Northern Ireland Assembly Commission (the Commission) is required under Section 40 (4) of the Northern Ireland Assembly Act 1998 to provide the Assembly or ensure that the Assembly is provided, with the property, staff and services required for the Assembly's purposes. Section 40 makes further provision for other functions to be conferred on the Commission.

Paragraph 4 of Schedule 5 to the 1998 Act states that the Northern Ireland Assembly Commission may delegate any of its functions to the Presiding Officer or a member of staff of the Assembly. The clerk/director General is the senior staff member of the Assembly and as with all staff of the Assembly is responsible to the Commission.

Under paragraph 4 of Schedule 5 of the Act, the Assembly commission hereby delegates to you all its functions (whether under the Act or any other provision of law) including the responsibility for the management of staff subject to the following exceptions and conditions:

- (a) matters relating to your appointment, terms and conditions and remuneration;
- (b) matters relating to the appointment, terms and conditions and remuneration of any Directors;

- (c) your appraisal (the Speaker will deal with this in consultation with Commission members);
- (d) final decisions on discipline and grievance issues relating to you, members of the previous senior management board, and Directors;
- (e) matters relating to salaries and pensions for staff and new or significant variations to terms and conditions and personnel policies which have significant direct budget implications.
- (f) matters relating to the setting of the remuneration, allowances and pensions for Assembly Members;
- (g) the approval of the annual budget and the agreement of the annual accounts of the Northern Ireland Assembly; and
- (h) exercise of the power to borrow money provided by paragraph 3(4) of Schedule 5 to the Act.

You must consult the Commission before:

- (a) making appointments at Director level;
- (b) creating new Director posts or abolishing existing Director posts;
- (c) authorising ICT and consultancy projects in excess of £50,000; and
- (d) authorising expenditure on matters that could reasonably be regarded as novel or contentious.

The delegation of functions mentioned above does not prevent the exercise of those functions by the Commission.

You may sub-delegate functions mentioned above does not prevent the exercise of those functions by the Commission.

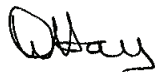
In exercising the functions delegated to you, you and any staff to whom you further sub-delegate any functions should, in accordance with principles to be included in the Assembly's Corporate Plan:

- (a) ensure propriety in the consumption of resources allocated to the Assembly Commission by following all relevant procedures in procurement and financial control;
- (b) seek wherever practicable to take account of environmental and ethical considerations;

- (c) apply the Assembly's rules fairly and equally to all MLAs, in particular in relation to allowances.

You are also required to consult the Assembly Commission on any matters which could reasonably be considered as novel, contentious or potentially politically sensitive.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'W. Hay'.

WILLIAM HAY MLA

NI ASSEMBLY SECRETARIAT CORPORATE BUSINESS PLAN 2011/2012

Performance Monitoring Report year ending 31 March 2012

1 SUPPORTING ASSEMBLY BUSINESS

Corporate Objective	Planned outcome	Target date	Responsibility	Comments	Position at 31 March 2012
1.1	Effective support provided for all plenary business	31 March 2012	Director of Clerking and Reporting		Complete
	Effective support provided for all Committee business	31 March 2012	Director of Clerking and Reporting		Complete
	Effective support to the Speaker on legislative issue	31 March 2012	Director of Clerking and Reporting		Complete
1.2	Development and delivery of Members' support programme, to meet the needs of Members	31 March 2012	Director of Clerking and Reporting	Prospectus of current development opportunities being prepared. Induction programme provided at start of new mandate.	Partially complete

Corporate Objective	Planned outcome	Target date	Responsibility	Comments	Position at 31 March 2012
1.3 To support the Assembly in enhancing its effectiveness as the devolved legislature for Northern Ireland	Development of proposals for enhancing effectiveness in the 2011/2015 mandate	30 September 2011	Director of Legal Services		Complete
1.4 To make preparations for the 2011/15 Assembly mandate	Implementation of Election Plan A smooth transition to the new Assembly mandate	5 May 2011 30 June 2011	Director of Clerking and Reporting Director of Clerking and Reporting		Complete Complete

2 ENGAGING THE PUBLIC

Corporate Objective	Planned Outcome	Target date	Responsibility	Comments	Position at 31 March 2012
2.1 To improve public engagement with, and understanding of the role of, the Assembly	Engagement Strategy reviewed and recommendations relating to 2011/12 implemented	31 March 2012	Director of Information & Outreach	The Engagement Strategy has been reviewed. Progress continues to be made on a number of key initiatives including the Youth Assembly.	Complete
2.2 To continue to support and create partnership arrangements with stakeholders	Effective ongoing support for existing and new parliamentary partnerships	31 March 2012	Director of Information & Outreach		Complete
2.3 To promote Good Relations	Good Relations Strategy actions relating to 2011/12 implemented	31 March 2012	Director of Corporate Services		Complete
2.4 To improve access to the Assembly and its services	Assembly website redeveloped	30 September 2011	Director of Information & Outreach	New website launched 12 December 2011.	Complete
	Disability Action Plan reviewed and revised Action Plan implemented	31 March 2012	Director of Corporate Services		Complete
	Revised Equality Scheme implemented	31 March 2012	Director of Corporate Services		Complete

Corporate Objective	Planned Outcome	Target date	Responsibility	Comments	Position at 31 March 2012

3 SUPPORTING AND DEVELOPING OUR STAFF

Corporate Objective	Planned Outcome	Target date	Responsibility	Comments	Position at 31 March 2012
3.1 To ensure the effectiveness of internal communications	Recommendations from Staff Survey 2010 Action Plan implemented Revised Internal Communications Strategy and associated Action Plan implemented 2012 Staff Survey undertaken	31 March 2012 31 March 2012 31 March 2012	Clerk/DG and Directors Director of Information & Outreach Director of Information & Outreach		Complete Complete Complete
3.2 To continue to develop a dedicated, professional and motivated group of staff to meet the needs of the Assembly	HR Strategy revised and implemented Review of agreed schedule of Secretariat Terms and Conditions of Employment and HR Policies completed Corporate Learning and Development Action Plan for 2011/2012 implemented Development of a new Competency Framework	31 March 2012 31 March 2012 31 March 2012	Director of Corporate Services Director of Corporate Services Director of Corporate Services	Progress continuing. Work being taken through ERG Policy sub-group.	Complete Partially complete Complete
To continue to		31 March 2012	Director of Corporate	Deferred pending development of OD Strategy.	Not Complete

Corporate Objective	Planned Outcome	Target date	Responsibility	Comments	Position at 31 March 2012
develop a dedicated, professional and motivated group of staff to meet the needs of the Assembly (Cont'd)	Effective operation of the Joint Agreement between the Commission and the Trade Union Side	31 March 2012	Services Director of Corporate Services		Complete

4 ENSURING THE EFFECTIVE GOVERNANCE OF THE SECRETARIAT

Corporate Objective	Planned Outcome	Target date	Responsibility	Comments	Position at 31 March 2012
4.1 To ensure the effective, efficient and economic use of resources	To operate within the approved budget including an underspend within 3% of the total budget Programme of efficiency reviews planned for 2011/12 completed	31 March 2012 31 March 2012	Director of Corporate Services Clerk/DG	Provisional DEL underspend 2.46%. Revised completion date agreed for Clerking review.	Complete Complete
4.2 To support services through the effective delivery of IT support	ICT Strategies reviewed and implemented	31 March 2012	Director of Information & Outreach	The ICT Strategies now fall under the scope of the Information Management Programme which was approved by the Commission and will be implemented over the period 2012 – 2016.	Complete
4.3 To enhance sustainable business practice within the Assembly Secretariat	Sustainable Development Strategy implemented, including ISO accreditation, and environmental performance monitored	31 March 2012	Director of Facilities		Complete

Corporate Objective	Planned Outcome	Target date	Responsibility	Comments	Position at 31 March 2012
4.4 To ensure good governance arrangements including statutory compliance	Compliance with statutory duties monitored and reviewed annually Unqualified Audit Opinion achieved Support provided for the Independent Financial Review Panel	31 March 2012 31 March 2012 31 March 2012	Clerk/DG Director of Corporate Services Director of Corporate Services	All statutory duties have been reviewed & monitored.	Complete Complete Complete
To ensure good governance arrangements including statutory compliance (Cont'd)	Support provided for the NI Assembly Commissioner for Standards Compliance with Procurement regulations	31 March 2012	Director of Clerking and Reporting		Complete
4.5 To have effective risk management arrangements in place	Risk Registers reviewed Assurance Statements completed by Corporate Risk Owners	31 March 2012 Monthly Twice yearly	Director of Corporate Services Clerk/DG and Directors Clerk/DG and Directors		Complete Complete Complete
4.6 To ensure effective	Information Management	31 March 2012	Director of Information &	The Information	Partially complete

Corporate Objective	Planned Outcome	Target date	Responsibility	Comments	Position at 31 March 2012
information management and services	Strategy developed and action plan implemented		Outreach	Management Programme has been approved by the Commission and will be implemented over the period 2012 to 2016.	

5 ACCOMMODATING THE ASSEMBLY

Corporate Objective	Planned Outcome	Target date	Responsibility	Comments	Position at 31 March 2012
5.1 To provide appropriate facilities management services	Accommodation Strategy reviewed and recommendations relating to 2011/12 implemented Plan and timetable developed for repairs to roof of Parliament Buildings	31 March 2012	Director of Facilities		Complete
	Completion of disposal strategy for Ormiston House	30 June 2011	Director of Facilities	Procurement for design team in progress. Time table to be developed when design team appointed in July 2012	Not Complete
	Development and implementation of strategy for future support services	31 March 2012	Director of Facilities	House for sale. Awaiting ratification of planning approval by Council. Revised target date July 2012 agreed. Procurement in progress.	Not Complete Partially complete



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