



NIJAC

*Northern Ireland Judicial
Appointments Commission*

ANNUAL REPORT
AND ACCOUNTS
2014-2015



SELECTING THE BEST APPLICANTS AND SUPPORTING DIVERSITY



NIJAC

*Northern Ireland Judicial
Appointments Commission*

ANNUAL REPORT

AND ACCOUNTS

2014-15

Northern Ireland Judicial Appointments Commission

**Annual Report and Accounts
for the year ended 31 March 2015**

*Laid before the Northern Ireland Assembly under paragraphs 5 and 7 of
Schedule 2 to the Justice (Northern Ireland) Act 2002, as amended by
the Office of the First Minister and Deputy First Minister*

On 12 October 2015

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CHAIRMAN'S FOREWORD

This is our tenth report on the work of the Northern Ireland Judicial Appointments Commission (NIJAC), which covers a very demanding period of appointments, renewals, diversity and communications work, policy review and internal governance and accountability.

During the reporting period 1 April 2014 - 31 March 2015, NIJAC made 47 recommendations for judicial appointment (Courts 6, Tribunals 41) and 313 renewal recommendations.

We continue to work within our statutory obligations, and through review and evaluation of our strategies and policies, continually seek to improve.

We have achieved success with applications reflecting the Northern Ireland community; however a priority remains attracting applications from those in under-represented groups.

In that context our work with the legal profession, through the Joint Liaison Committee, remains important, as does outreach generally. During the period under review NIJAC's Commissioners and staff engaged with around 900 people through events and meets, promoting judicial service and demystifying the application process.

A key element of our engagement in the forthcoming year will be to work with courts and tribunals to assist them in establishing a Flexible Working policy for the judiciary. This follows a successful meeting in March 2015 with the Chair and Vice Chair of the Justice Committee, and representatives including the Judges' Council.

We have successfully reviewed our Memorandums of Understanding with the Department of Justice and the Northern Ireland Judicial Appointments Ombudsman; this will contribute towards timely appointments to our courts and tribunals.

NIJAC is determined to encourage interest in judicial office, so I would encourage anyone with that interest to contact NIJAC to discuss opportunities and initiatives such as Judicial Shadowing or visit our website (www.nijac.gov.uk) for further information.

I look forward to another year, fulfilling our Corporate and Business plans, and in particular consulting with those with an interest on how the Commission can more positively influence those they work on behalf of, should that be the courts and tribunals, the legal and other professions to ensure the most meritorious appointments based upon open and fair processes.

Sir Declan Morgan, Lord Chief Justice of Northern Ireland and Chairman of the Northern Ireland Judicial Appointments Commission.

MANAGEMENT COMMENTARY

Who we are

The Northern Ireland Judicial Appointments Commission (NIJAC) is an independent public body which was established to bring about a new system for appointing members of the judiciary in Northern Ireland.

NIJAC was established on 15 June 2005 under the Justice (Northern Ireland) Acts 2002 and 2004. It is an independent executive Non-Departmental Public Body (NDPB) sponsored by the Office of the First Minister and Deputy First Minister (OFMDFM).

As a consequence of the Northern Ireland Act 2009 policing and justice powers were devolved to the Northern Ireland Assembly on 12 April 2010.

The 2009 Act also extended NIJAC's statutory duties as not only a recommending body (for listed judicial offices commonly known as Crown appointments, generally substantive posts) but also an appointing body (for non Crown appointments, which are primarily fee paid posts) which removed this function from Government Ministers and the political process.

NIJAC also has influence over the judicial complement, and determination over certain terms and conditions in agreement with sponsoring departments who hold the budgets for judicial offices.

The Commission comprises of 13 members drawn from the judiciary, legal profession and other professional backgrounds. The Chairman is the Lord Chief Justice of Northern Ireland, Sir Declan Morgan. The 12 other members are appointed by the First Minister and Deputy First Minister acting jointly. The five judicial members are nominated by the Lord Chief Justice with each judicial tier represented. Commissioners who hold a publicly funded office i.e. salary paid members of the judiciary, are not remunerated by NIJAC for their work in accordance with public sector policy.

The Bar Council of Northern Ireland and Law Society of Northern Ireland nominate 1 member each to serve as legal members on the Commission, and the Commission's 5 lay members who do not hold (or have never held) a protected judicial office and are not (and have never been) a barrister or solicitor are appointed by the First Minister and Deputy First Minister acting jointly.

The Commission is supported by 13 staff headed by Mandy Kilpatrick, Acting Chief Executive, who is responsible for the day to day management of NIJAC.

The Commissioners (the Board) and staff have very different responsibilities. The Board of NIJAC (Plenary) has corporate responsibility for ensuring that it fulfils its statutory obligations and the aims and objectives agreed with its sponsor department. A detailed list of responsibilities of the Board is set out in the Management Statement and Financial Memorandum and the Justice (NI) Act 2002 and includes the requirement to comply with the Code of Conduct (7 Nolan Principles). The Chief Executive is the Accounting Officer (AO) for NIJAC and is therefore responsible to the Board for the discharge of NIJAC's responsibilities. The AO is also responsible for promoting the efficient, economic and effective use of staff and other resources.

Commissioners have an equal say in the work of NIJAC and are of equal status.

Our purpose

NIJAC is committed to the appointment of the best possible judicial officers for Northern Ireland through fair, open and transparent assessment, selection and appointment processes.

We recognise and value diversity and seek to promote equality while ensuring that merit remains the guiding principle for appointment.

It is our policy to have due regard to the need to promote equality of opportunity to actual and potential applicants irrespective of gender, marital status, religious belief or political opinion, race, age, disability, sexual orientation, dependant responsibilities or geographical location.

Our aim is to ensure that those who do apply will undergo an appointment process that assesses their knowledge, skills and abilities fairly and openly.

In this way we are confident that those most meritorious will be appointed.

Our statutory responsibilities

1. To select and appoint, and recommend for appointment, in respect of all listed judicial offices up to and including High Court Judge.
2. To recommend applicants solely on the basis of merit.
3. To engage in a programme of action to secure, so far as it is reasonably practicable to do so, that appointments to listedⁱ judicial offices are such that those holding such offices are reflective of the community in Northern Ireland.
4. To engage in a programme of action to secure, so far as it is reasonably practicable to do so, that a range of persons reflective of the community in Northern Ireland is available for consideration by NIJACⁱ whenever it is required to select a person to be appointed, or recommend a person for appointment, to a listed judicial office.
5. To publish an annual report setting out the activities and accounts for the past year.

ⁱ Schedule 1 of the Justice Act 2002.

Our principles

The principles which guide and inform our work are:

- **Independence** – we will ensure NIJAC fulfils all of its statutory obligations, free from any political influence or interference;
- **Merit** - we will appoint and recommend for appointment applicants solely on the basis of merit;
- **Diversity** - we will implement a programme of action designed to support our aim to achieve, as far as reasonably practicable, a judiciary that is reflective of our society;
- **Fairness** - we will be fair in our decision making;
- **Transparency** - we will be open about our policies, procedures and activities;
- **Accountability** - we will explain our activities and where appropriate the reasons for our decisions; and
- **Partnership** - we will work closely with interested parties to share learning and to progress and inform our work.

Strategic Report

Introduction

The Northern Ireland Judicial Appointments Commission (NIJAC) is an executive non-departmental public body (NDPB) established as an independent body under the Justice (Northern Ireland) Acts 2002 and 2004. NIJAC's primary source of financing is grant-in-aid provided by the Office of the First Minister and the Deputy First Minister (OFMDFM).

OFMDFM determines the performance framework for NIJAC. NIJAC, in consultation with the Department of Justice (DoJ) and OFMDFM, will set out its objectives and key targets having regard to the priorities of the Executive and the available resources.

The relationship between NIJAC and the Ministers and their Department are governed by the 'arm's length' principle. The requirements of this principle are discharged on a day-to-day basis on the Ministers' behalf by the Sponsoring Department.

There was a review of our work by the Northern Ireland Assembly's Justice Committee in April 2012; the review flowed from the requirement set out in the Northern Ireland Act 2009 and we are happy to play our role in any further review of the arrangements for appointments and removals.

It is important we continue our engagement with political representatives, while also focussing on our core business – selecting and recommending people for appointment to judicial office. NIJAC's Assessment and Selection Process for Judicial Appointment can be found at Appendix 1.

Corporate Objectives

Recruitment & Selection

We will strive to meet our statutory duty to ensure a reflective judiciary which is appointed on merit.

Our People

We will fulfil our commitments through the efforts of skilled and engaged Commissioners, Co-opted Experts and Staff.

Working with Others

We will work closely with others to deliver our statutory duties and implement best practice.

Accountability

We will make judicial appointments while safeguarding public money and making the best use of our resources.

Accounting Responsibilities

NIJAC's financial statements have been prepared in accordance with paragraph 7 of Schedule 2 to the Justice (Northern Ireland) Act 2002 as amended.

Operating Review

During the reporting year, NIJAC managed and delivered a substantial programme of appointments and renewals to judicial office. NIJAC made 47 recommendations for appointment (Courts 6, Tribunals 41), and 313 recommendations for the renewal of appointments (Courts 13; Tribunals 142 and 158 Lay Magistrates). For full equality monitoring information on applicant pools and renewals (Courts and Tribunals) see Appendix 2.

Various policies have been subject to review during 2014-15. Further work on Personal Profiles, against which applicants are assessed for judicial office, was undertaken by the Joint Liaison Committee and various presiding judges and tribunal Presidents and Chairs. This work continues to inform our Senior Appointment Review Team (SART) who are leading on a review which will impact upon all tiers of recruitment.

Recruitment campaigns continue to be highly effective and evaluations inform the Programme of Action, as does feedback from Selection Committees.

NIJAC has a sustained track record of achievement not least in adhering to strict governance arrangements and our aim is to continue to maintain those high standards.

Business Plan Performance

Of the 12 Strategic Objectives contained in the 2014-15 Business Plan, 11 were achieved and 1 was partially achieved. The Objectives can be found at Appendix 3.

Business Plan objectives are monitored and adjusted as appropriate by Business Committee and Plenary in year. The 2014-15 Objective *'We will value the contribution of staff and develop mechanisms to enhance their engagement and performance'* contained the indicator of success *'Workforce Implementation Plan for the new staffing structure developed and agreed with the Office of the First and Deputy First Minister.'* Due to staff absences, part of the Workforce Implementation Plan was unable to be completed by 31 March 2015; it is expected to be fully implemented in 2015-16.

Financial Overview

As an NDPB, NIJAC is subject to the relevant Government and accounting guidelines. NIJAC was financed in 2014-15 by grant-in-aid through OFMDFM and does not normally obtain additional funding from any other source.

Deficit transferred to taxpayers' equity for the year totalled £1,048,974 (2013-14: £1,230,074). The main areas of expenditure were staff costs £659,132 (2013-14: £732,437) which accounted for 54% (2013-14: 53%) of the total expenditure, and accommodation costs of £234,569 (2013-14: £232,945) accounting for 19% (2013-14: 17%) of the total expenditure. Accommodation costs relating to the part of Headline Building shared by the Commission for Victims and Survivors Northern Ireland are recharged; these recharges are included in receipts. Income of £157,302, relating to the reimbursement of rent, rates and other premises costs, were received during the year (2013-14: £139,387).

The total grant drawn down from OFMDFM in respect of 2014-15 was £1,022,991 (2013-14: £1,241,326).

Capital expenditure during the year amounted to £3,116 (2013-14: £234). At the year end, the assets owned by NIJAC had a net book value of £5,941 (2013-14: £6,215).

The expenditure, showing cost savings, for the last four years are shown in the table below.

	2014-15	2013-14	2012-13	2011-12
Staff costs	659,132	732,437	755,316	816,456
Depreciation, amortisation and revaluation	3,398	12,754	16,694	13,079
Other expenditure	543,746	624,270	538,874	582,151
	<u>1,206,276</u>	<u>1,369,461</u>	<u>1,310,884</u>	<u>1,411,686</u>
Income	(157,302)	(139,387)	(579)	(675)
	<u>1,048,974</u>	<u>1,230,074</u>	<u>1,310,305</u>	<u>1,411,011</u>
Capital	3,116	234	3,954	-
Total (including Capital)	<u>1,052,090</u>	<u>1,230,308</u>	<u>1,314,259</u>	<u>1,411,011</u>
Cost saving on prior year	14%	6%	7%	5%

Going concern

The statement of financial position at 31 March 2015 shows net liabilities of £88,575. This reflects the inclusion of liabilities falling due within one year which, to the extent that they are not met from NIJAC's other sources of income, may only be met by future grant-in-aid from NIJAC's sponsoring department, the Office of the First Minister and Deputy First Minister. This is because, under the normal conventions applying to Assembly control over income and expenditure, such grants may not be issued in advance of need.

Grant-in-aid for 2015-16, taking into account the amounts required to meet NIJAC's liabilities falling due in that year, have already been included in the department's Estimates for that year, which have been approved by the Assembly, and there is no reason to believe that the department's future sponsorship and future Assembly approval will not be forthcoming. It has accordingly been considered appropriate to adopt a going concern basis for the preparation of these financial statements.

Principal Risks and Uncertainties

Risk Management is integrated into the activities of NIJAC by linking directly to the achievement of objectives. NIJAC implements effective risk management arrangements, which are detailed in our Risk Management Handbook. These include developing, monitoring and reviewing a Corporate Risk Register which identifies the key risks, those responsible for ensuring that the risks are managed, and the action that will be taken to manage them. Further details can be found in the Governance Statement.

Whilst focussing on our core business – selecting and recommending people for appointment to judicial office we must be alive to other issues, such as Welfare Reform, the Future Administration and Structure of Tribunals in Northern Ireland, Legal Aid Reform and of course, any alterations to our applicant pool influenced by various factors, including changes to the economy.

Also, the potential impact of changes to Judicial Pensions and paid judicial office may influence the composition of the judiciary at relevant tiers. There is also a planned legislative change transferring responsibility for the Northern Ireland Judicial Appointments Ombudsman to the Northern Ireland Office which may change their workings.

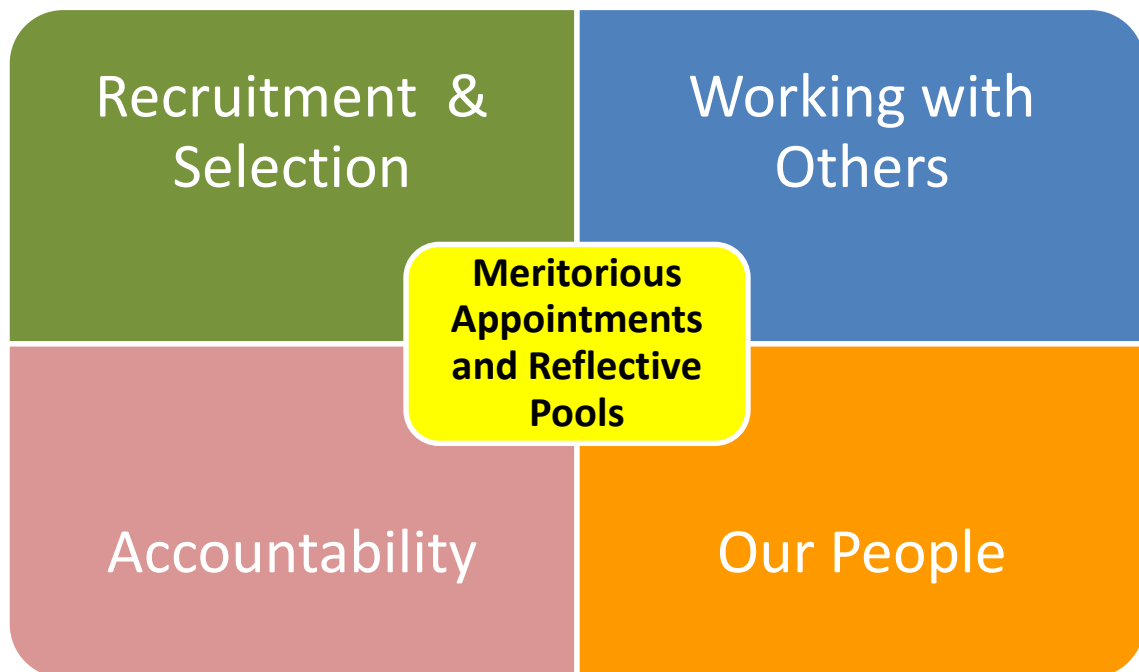
The main risks to NIJAC's business objectives included in the Corporate Risk Register are:

- Breaches of confidentiality and speculation around schemes by others, causing misinformation and potential for reputational damage.
- Failure to meet Business Plan Targets of Scheme Timetables due to impact of complaints in the process.

Future Strategy

Our 2014-17 Corporate Plan, published in May 2014, is set around NIJAC's key aim, to appoint and recommend for appointment solely on merit. In accordance with our governing legislation, NIJAC is required to engage in a Programme of Action to ensure as far as is reasonably practicable that appointments to listed judicial office are such that those holding such offices are reflective of the community in Northern Ireland.

As you can see from the diagram below, we have identified four key work areas, each of which interact with the other and work towards delivering our key aim and complying with our statutory commitments.



While some operational targets may change in the next 12, 24 and 36 months, our focus will remain on meeting the commitments aligned to each of these four areas.

Our 2015-16 Business Plan, published in May 2015, sets out the work we will do in the coming year. One of the key pieces of work is delivering on the year 2 commitments within the 'Delivering Best Practice in Recruitment' project which include reviewing various assessment methods, Guidance to Applicants and the Consultee Policy.

A key priority remains ensuring those with an interest understand how we select and/or recommend people for judicial office while ensuring our approach is based on the very best evidence of good practice.

Staffing

NIJAC's full complement in 2014-15 was 12.5 staff covering 13 posts, which includes 6 directly recruited staff and 7 seconded staff positions.

A Staffing Review to ensure the continued effectiveness of NIJAC's internal support structures was commissioned by OFMDFM, as NIJAC's Sponsor Department. This was followed up during 2013-14 with an internal review of the staffing structure.

As a result an optimum staffing structure was agreed at the end of 2013-14 reducing the complement from 18 to 12.5. A number of recommendations were implemented during 2014-15 and the remaining aspects of the agreed structure were in place by 22 June 2015.

Given the level of change, and recognising the importance of staff and their contribution, a number of work streams had been identified for 2014-15 that will establish a framework that encourages staff engagement and enhanced performance.

The average number of staff in post during 2014-15 can be found at Note 4 to the Accounts. NIJAC is committed to staff development and continues to identify and address development needs through the performance management system.

The gender split for the Board (Commissioners) and staff at 31 March 2015 (prior year comparison in brackets) is as follows:

	Total	Male	Female
The Board	13 (12)	9 (8)	4 (4)
Senior Managers	1 (1)	0 (0)	1 (1)
Employees	11 (12)	4 (5)	7 (7)

Equal Opportunities and Diversity

There are policies in place to guard against discrimination, to ensure compliance with legal requirements and to ensure that there are no unfair or illegal discriminatory barriers to employment and advancement in NIJAC.

Generally Civil Service Policies (contained in the Civil Service Staff Handbook) have been adopted by NIJAC and apply both to staff on secondment and those directly recruited.

All staff are currently managed under the Northern Ireland Civil Service (NICS) Equal Opportunities Policy, which guards against discrimination in employment and which values and respects all individuals.

Staff are currently covered by the Equality Scheme produced by the NICS, which seeks to ensure compliance with the public sector equality duty to have due regard for the promotion of equality of opportunity in respect of disability, gender, race, religion, political opinion and among those of different ages, marital status or sexual orientation or who have or have not dependants; and good relations between those of different religions, political opinions and races.

The Sponsor Department's Employment Equality Plan to protect all those groups from discrimination also applies. Employment and promotion are based solely on merit. Staff who work reduced hours are assessed on the same basis as those working full time. A Dignity and Harmony at Work policy is in place to secure a positive working environment.

Employment of Disabled Persons

NIJAC adheres to the NICS Code of Practice on the Employment of Disabled People that aims to ensure that there is no discrimination on the grounds of disability and that access to employment and career advancement in NIJAC is based solely on ability, qualifications and suitability for the post.

NIJAC aims to ensure that people with disabilities have equality of opportunity and fair participation in all aspects of their employment, and that discrimination does not take place.

Employee Involvement

NIJAC encourages widespread consultation and exchange of information at all levels. This is achieved through senior staff briefings and the cascading of information to all staff. All staff are also automatically invited to contribute during the consultation exercises issued in relation to staff policies.

Sustainability Report

NIJAC is working towards sustainable development and seeks to demonstrate its commitment to reducing environmental impacts wherever possible.

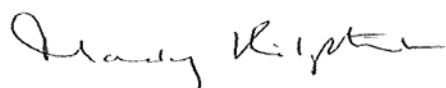
NIJAC continues to demonstrate its active support of the Northern Ireland Sustainable Development Strategy, which can be found at: www.ofmdfmi.gov.uk/sustain-develop.pdf.

NIJAC's aims are:

- **climate change and energy efficiency** - to reduce energy consumption as far as reasonably and economically practicable;
- **waste management and recycling** - to reduce waste, increase the proportion of waste that is recycled and eliminate our use of landfill sites for general office waste;
- **procurement** - to promote a purchasing policy which will give preference, as far as practical, to those products and services which cause the least harm to the environment; and
- **people** - to seek to embed the principle of sustainable development through increasing awareness of sustainability responsibilities among staff and for all who work with us.

NIJAC currently recycles all office waste and encourages electronic communication to reduce the generation of excess paper. The circulation of corporate publications is confined to a succinct audience and NIJAC ensures that corporate documents are printed on paper derived from sustainable sources. NIJAC ensures that all printed publications are carbon neutral and that its website is used to promote circulation of corporate information to a wider audience.

NIJAC uses the NICS contracts wherever possible. All NICS Contracts for the supply of goods include a condition that requires suppliers to comply with the Packaging Act which makes the supplier responsible for recycling of the packaging materials.



Mandy Kilpatrick
Accounting Officer
10 September 2015

Directors' Report

Chief Executive

Mandy Kilpatrick is the Acting Chief Executive and Accounting Officer.

Salary and pension entitlements

Details of the remuneration and pension interests of the Chief Executive and remuneration details of Commission members are detailed in the Remuneration Report.

Composition of the Commission

The Commission consists of a Chairman (the Lord Chief Justice of Northern Ireland) and twelve other members appointed by the First Minister and deputy First Minister, acting jointly.

The Right Honourable Sir Declan Morgan (Chairman), the Lord Chief Justice of Northern Ireland;

The Right Honourable Lord Justice Coghlin, Lord Justice of Appeal (retired 31 August 2015);

Mr Brian Coulter OBE, Lay Member (appointed 10 November 2014);

Mr Eoin Doyle, Lay Magistrate;

Mrs Breidge Gadd, Lay Member;

Mrs Fiona Keenan, Lay Member;

His Honour Judge Kinney, County Court Judge;

Mr James McNulty QC, Legal Member;

District Judge (Magistrates' Courts) Rosalie Prytherch;

Mr Alastair Rankin, Solicitor, Legal Member;

Professor Nichola Rooney, Lay Member;

The Honourable Mr Justice Stephens, High Court Judge;

Mr Lindsay Todd, Lay Member.

At the end of their first term, judicial members are re-appointed for a period of 5 years, the lay members are re-appointed for 4 years and the legal members for a period of 3 years.

Mr Brian Coulter filled the Lay Member position in November 2014; the position was vacant from 15 June 2013.

The Right Honourable Lord Justice Coghlin retired on 31 August 2015, a replacement is anticipated during 2015-16.

All members are non-executive and independent.

Pen pictures of all Commission members can be found on our website www.nijac.gov.uk.

Commission Members' Interests

None of the Commission members held interests or directorships during the year which would conflict with their responsibilities as members of the Commission.

Auditors

The financial statements are audited by the Comptroller and Auditor General for Northern Ireland (C&AG) in accordance with the Justice (Northern Ireland) Act 2002 as amended. He is the head of the Northern Ireland Audit Office and he and his staff are wholly independent of NIJAC.

The audit of the financial statements for 2014-15 resulted in an audit fee of £10,700 (2013-14: £10,737). The C&AG did not provide any non-audit services during the year. NIJAC are currently not involved in the National Fraud Initiative.

Days lost due to absence

NIJAC encourages a culture where good attendance is expected and valued. However, it recognises that from time to time absences for medical reasons may be unavoidable. NIJAC aims to treat its staff who are ill, with sympathy and fairness, and where possible to provide them with support which will enable them to recover their health and attend work regularly.

In 2014-15 the percentage of working days lost was 5.72% (2013-14: 0.53%) or an average of 14.25 days (2013-14: 1.32) per annum per employee. There were two members of staff on long term sick leave during the year, both have returned to work.

Personal Data Related Incidents

A data protection issue occurred in April 2015 at the registration stage on the website. Individuals' personal details (name, telephone number, email address and professional grouping) may have been seen by a maximum of seven other people who logged onto the system during the same time period. The issue was quickly identified, investigated and reported to the Information Commissioner's Office and the OFMDFM IT Security Officer. Those potentially affected by the data breach were also notified.

As a result of the data breach occurring, NIJAC has implemented the following actions:

- A review of internal training requirements and any gaps in relation to training.
- NIJAC Security Operating Procedures have been reviewed and updated to detail information on processes / procedure around the creation, testing and approval of links.
- NIJAC Staff have been instructed to ensure that any future deviation from established website procedures will be subject to consultation with IT Assist and approval by the Senior Information Risk Owner (SIRO).
- The incident, impact and relevant policies have been discussed at team meetings and remain a standing item on SMT meeting agenda.

Information Management

NIJAC aims to ensure that all information is safeguarded and kept securely.

NIJAC has agreed an Information Strategy, setting out our vision for managing our information more efficiently and intelligently.

One aspect of this is ensuring that NIJAC manages information risk by following the requirements of our suite of Information Assurance policies. We have reviewed compliance with these policies to ensure that the importance of information security is embedded within NIJAC.

Payment of Suppliers

NIJAC is committed to the prompt payment of suppliers. The Confederation of British Industry's Prompt Payment Code for achieving good payment performance in commercial transactions requires payment within 30 days of the receipt of the goods or services or on presentation of a valid invoice or similar demand, whichever is later (unless otherwise stated in the contract). During the year 98.93% (2013-14: 96.65%) of invoices were paid within this standard.

Since January 2009, the NIJAC's aim has been to pay all valid invoices within ten days of receipt. During 2014-15, 96.24% (2013-14: 94.55%) of invoices were paid within the target.

Financial instruments and Financial Risk Management

Due to the largely non-trading nature of NIJAC's activities and the way in which executive non-departmental bodies are financed, NIJAC is not exposed to the degree of financial risk faced by business entities. Moreover, financial instruments play a much more limited role in creating or changing risk than would be typical of the listed companies.

NIJAC has no powers to borrow or invest surplus funds and except for relatively insignificant purchases of foreign currency, financial assets and liabilities are generated by day-to-day operational activities and are not held to change the risks facing NIJAC in undertaking its activities. Further details can be found at Note 16 of the Accounts.

Complaints

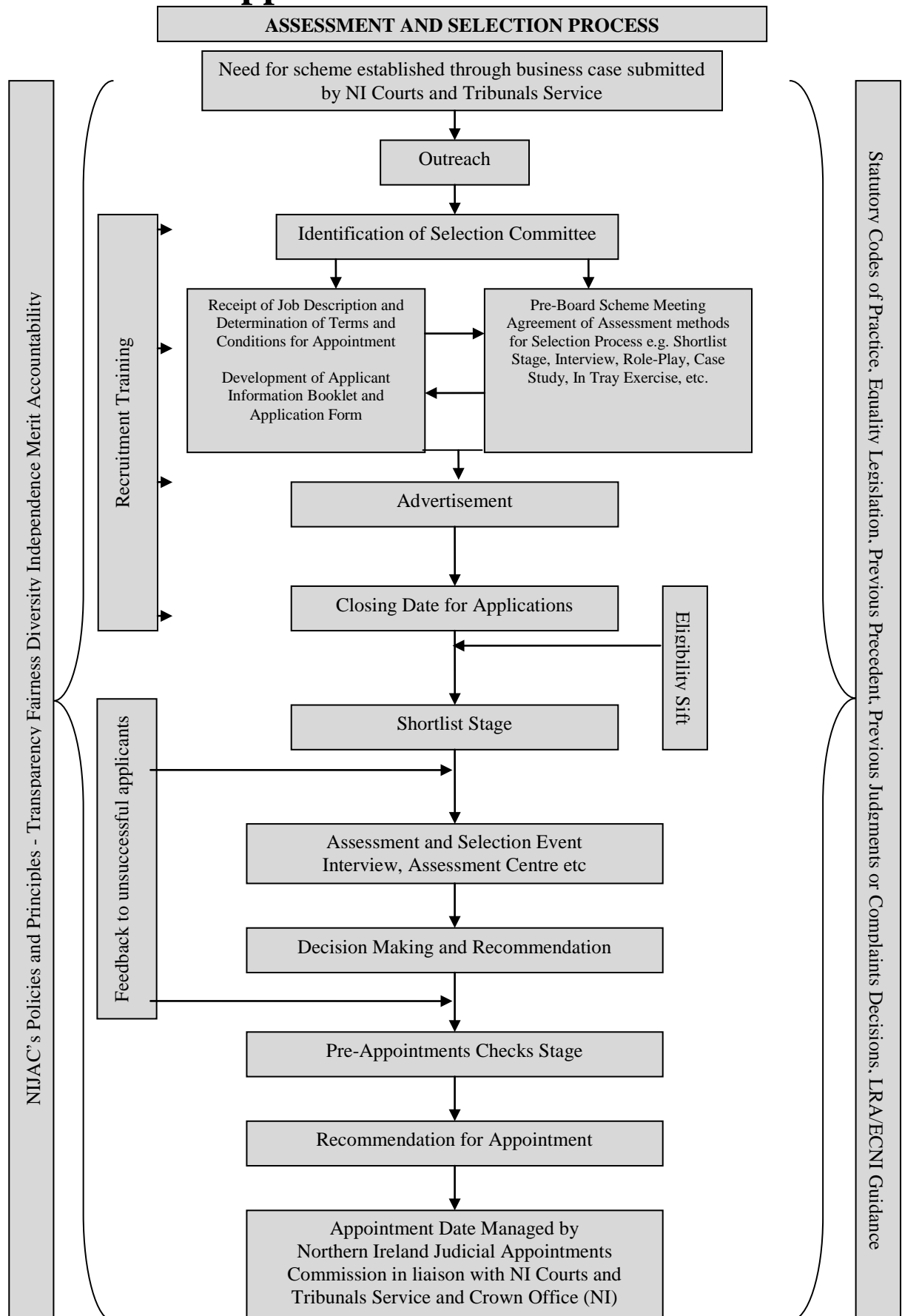
During the period of this report four complaints were made; two were not upheld, one was partially upheld (no adverse impact) and one was deemed out of time. In handling these complaints the NIJAC Complaints Policy and Procedure was complied with which reflects NIJAC's principles. In applying the policy the principles of good complaint handling are applied whilst observing strict confidentiality, working towards putting things right and seeking continuous improvement. In line with the policy complaints are monitored and any lessons learnt are considered, and if need be, policy and practice amended to reflect learning. I, as Chief Executive, am responsible for complaints being monitored to ensure the necessary lessons are learnt and applied.

I, as Accounting Officer, have taken appropriate steps to make myself aware of relevant audit information and to establish that the C&AG is aware of that information. To my knowledge, there is no relevant audit information of which the C&AG is unaware.

A handwritten signature in black ink, appearing to read "Mandy Kilpatrick". The signature is written in a cursive, flowing style.

Mandy Kilpatrick
Accounting Officer
10 September 2015

Appendix 1 – Assessment and Selection Process for Judicial Appointment



Appendix 2 - Diversity Statistics

The statistical information contained in this appendix on the diversity of those who have applied and those who have been recommended as suitable for appointment, is provided in accordance with NIJAC's statutory obligations under Justice (Northern Ireland) Act 2002 (c.26) Schedule 2.

1. Recommendations for appointment (including applicant pools) during the Period 2014 - 2015.

During the reporting period the Commission made 47 recommendations for appointment (Courts 6; Tribunals 41) – 1 County Court Judge (18 applications received), 1 Deputy Court Judgeⁱ, 1 Master (Chancery) (14 applications received), 1 Master (Family) (12 applications received), 1 Master (Taxation & EJO) (21 applications received), 1 Deputy Statutory Officerⁱⁱ, 1 Appeal Tribunals President (8 applications received), 1 Criminal Injuries Compensation Appeals Panel Chairmanⁱⁱⁱ, 25 Appeal Tribunals Legal Members (239 applications received), 3 Mental Health Review Tribunal Members (95 applications received), 2 Traffic Penalty Tribunal Adjudicators (70 applications received), 2 Lands Tribunal Temporary Members (2 applications received)^{iv}, 4 Criminal Injuries Compensation Appeals Panel (Medical) Adjudicators (23 applications received), 1 Mental Health Review Tribunal Medical (Psychiatrist) Member (2 applications received), 1 Criminal Injuries Compensation Appeals Panel Chair (2 applications received)^{iv}, 1 Mental Health Review Tribunal Chair (1 application received)^{iv}.

Gender	Male	Female	Total
Recommendations	23	24	47
%	49%	51%	100%
Applicant Pools	254	256	510
%	50%	50%	100%

ⁱ Appointed under the auspices of the Post Retirement Appointment Policy.

ⁱⁱ Appointed under the auspices of the Post Retirement Appointment Policy.

ⁱⁱⁱ Appointed by NIJAC for 1 month only to cover business needs.

^{iv} Appointed from a pool restricted by legislation.

Community Background	Protestant	Roman Catholic	Neither
Recommendations	12	34	1
%	25%	73%	2%
Applicant Pools	170	305	35
%	33%	60%	7%

Age on Appointment	35 and under	36-40	41-45	46-50	51-55	56-60	Over 60
Recommendations	7	6	11	3	12	3	5
%	15%	13%	23%	6%	26%	6%	11%
Applicant Pools	103	71	96	83	90	43	24
%	20%	14%	19%	16%	18%	8%	5%

Ethnic Origin	White	Other
Recommendations	46	1
%	98%	2%
Applicant Pools	494	16
%	97%	3%

Disability	No Disability Declared	Disability Declared
Recommendations	45	2
%	96%	4%
Applicant Pools	495	15
%	97%	3%

Personal Geographic Location				
Location	Recommendations	%	Applicant Pool	%
Belfast	27	57%	247	48%
Co Antrim	1	2%	50	10%
Co Armagh	4	9%	22	4%
Co Down	7	15%	106	21%
Co Fermanagh	1	2%	5	1%
Co Londonderry	2	4%	28	6%
Co Tyrone	5	11%	32	6%
Other	0	0%	20	4%
Not indicated	0	0%	0	0%

Business Geographic Location				
Location	Recommendations	%	Applicant Pool	%
Belfast	29	61%	310	60%
Co Antrim	0	0%	25	5%
Co Armagh	2	4.5%	20	4%
Co Down	4	9%	36	7%
Co Fermanagh	0	0%	3	1%
Co Londonderry	0	0%	15	3%
Co Tyrone	4	9%	23	4%
Province wide	0	0%	0	0%
Other	2	3.5%	19	4%
Not indicated	6	13%	59	12%

2. Recommendations for renewal of appointment during the Period 2014-2015.

During the reporting period the Commission made 313 recommendations for renewal of appointment (Courts 13; Tribunals 142; Lay Magistrates 158) – 5 Deputy County Court Judges, 2 Deputy District Judges, 1 Deputy District Judge (Magistrates’ Courts), 5 Deputy Statutory Officers, 11 Industrial Tribunals and Fair Employment Tribunal Employment Judges, 27 Appeal Tribunals Legal Members, 3 Appeal Tribunals Medical (Consultant) Members, 46 Appeal Tribunals Medical (Generalist) Members, 41 Appeal Tribunals Expert Members, 1 Appeal Tribunals Financial Member, 4 Mental Health Review Tribunal Experienced Members, 9 Northern Ireland Valuation Tribunal Ordinary Members and 158 Lay Magistrates.

Gender	Male	Female	Total
	138	175	313
%	44%	56%	100%

Community Background	Protestant	Roman Catholic	Neither
	168	129	16
%	54%	41%	5%

Age on Reappointment	35 and under	36-40	41-45	46-50	51-55	56-60	Over 60
	2	10	23	34	63	60	121
%	1%	3%	7%	11%	20%	19%	39%

Ethnic Origin	White	Other
	309	4
%	99%	1%

Disability	No Disability Declared	Disability Declared
	304	9
%	97%	3%

Personal Geographic Location		
Belfast	87	28%
Co Antrim	38	12%
Co Armagh	18	6%
Co Down	65	21%
Co Fermanagh	15	5%
Co Londonderry	30	9%
Co Tyrone	30	9%
Other	2	1%
Not indicated	28	9%

Business Geographical Location		
Belfast	112	36%
Co Antrim	29	9%
Co Armagh	18	6%
Co Down	36	11%
Co Fermanagh	15	5%
Co Londonderry	29	9%
Co Tyrone	22	7%
Province wide	21	7%
Other	0	0%
Not indicated	31	10%

Appendix 3 – 2014-15 Corporate and Business Plan Objectives

The Objectives in the 2014-15 Business Plan

The four work areas are Recruitment & Selection, Our People, Working with Others, and Accountability.

1. Recruitment & Selection

Corporate Objective

We will strive to meet our statutory duty to ensure a reflective judiciary which is appointed on merit.

Business Objectives

1. We will develop, implement and deliver a programme of action to attract applications from the widest possible pool.
2. We will deliver a programme of appointments and renewals that meets business needs and ensures continuity in Courts and Tribunals.
3. We will review and benchmark what we do and implement an evidence based plan of action to deliver best practice in judicial appointments.

2. Our People

Corporate Objective

We will fulfil our commitments through the efforts of skilled and engaged Commissioners, Co-opted Experts and Staff.

Business Objectives

1. We will put in place a Programme of Development to ensure that all Commissioners and Co-Opted Experts are clear and confident in their roles and responsibilities and supported to deliver on our commitments.
2. We will promote an ethos of appreciating the value of diversity and encouraging continuous improvement.
3. We will value the contribution of staff and develop mechanisms to enhance their engagement and performance.

3. Working with Others

Corporate Objective

We will work closely with others to deliver our statutory duties and implement best practice.

Business Objectives

1. We will actively strengthen our consultative processes with the Bar Council and Law Society to ensure we deliver on expectations.
2. We will build upon our relationships with the Department of Justice (DoJ) and the Northern Ireland Courts and Tribunals Service (NICTS) to review responsibilities and implement an enhanced Memorandum of Understanding.

3. We will build upon our relationships with the Department for Social Development (DSD), the Department for Employment and Learning (DEL) and the Judicial Appointments Ombudsman to review responsibilities and implement a Memorandum of Understanding.

4. Accountability

Corporate Objective

We will make judicial appointments while safeguarding public money and making the best use of resources.

Business Objectives

1. We will manage our resources effectively through sound financial management and controls, while increasing our efficiency.
2. We will protect all data held safeguarding the confidentiality of applicants.
3. We will deliver an effective governance system that will ensure probity and the safeguarding of public funds and provide assurance to our sponsor the Office of the First and Deputy First Minister (OFMDFM).

REMUNERATION REPORT

Remuneration Policy

The remuneration of senior civil servants is set by the Minister for Finance and Personnel. The Minister approved a restructured SCS pay settlement broadly in line with the Senior Salaries Review Body report which he commissioned in 2010. The commitment to a Pay and Grading Review for SCS was the second phase of the equal pay settlement approved by the Executive.

Service Contracts

Civil service appointments are made in accordance with the Civil Service Commissioners' Recruitment Code, which requires appointment to be on merit on the basis of fair and open competition but also includes the circumstances when appointments may otherwise be made.

Unless otherwise stated below, the officials covered by this report hold appointments which are open-ended. Early termination, other than for misconduct, would result in the individual receiving compensation as set out in the Civil Service Compensation Scheme.

Further information about the work of the Civil Service Commissioners can be found at www.nicscommissioners.org.

Salary and pension entitlements (*Audited Information*)

The following sections provide details of the remuneration and pension interests of the Commission members and the most senior management of NIJAC (the Acting Chief Executive).

Chief Executive

The position of Chief Executive throughout 2014-15 was held by Mandy Kilpatrick, an employee seconded from the Department of Justice.

The remuneration payable to the Chief Executive was as follows:

	2014-15					2013-14				
	Salary	Bonus Payments	Benefits in Kind	Pension Benefits***	Total	Salary	Bonus Payments	Benefits in Kind	Pension Benefits***	Total
Name	£'000	£'000	(to nearest £100)	(to nearest £1,000)	(£'000)	£'000	£'000	(nearest £100)	(to nearest £1,000)	(£'000)
Edward Gorringe*	-	-	-	-	-	30-35 (60-65 full year equivalent)	-	-	14	45-50
Mandy Kilpatrick**	60-65	-	-	(2)	60-65	25-30 (60-65 full year equivalent)	-	-	(22)	5-10

*Mr Gorringe left on 30 September 2013.

** Mrs Kilpatrick started on 14 October 2013.

*** The value of pension benefits accrued during the year is calculated as (the real increase in pension multiplied by 20) plus (the real increase in any lump sum) less (the contributions made by the individual). The real increases exclude increases due to inflation or any increase or decreases due to a transfer of pension rights.

Negative Results

In some cases, the real increase in Cash Equivalent Transfer Value (CETV) and the pension benefits accrued for the single total figure of remuneration can be negative – that is, there can be a real decrease. This is particularly likely to happen during periods of pay restraint.

The final salary pension of a person in employment is calculated by reference to their pay and length of service. The pension will increase from one year to the next by virtue of them having an extra year's service and by virtue of any pay rise during the year. Where there is no pay rise, the increase in pension due to extra service may not be sufficient to offset the inflation increase – that is, in real terms, the pension value can reduce, hence the negative values.

The negative results above are as a result of the salary not changing a lot over the last couple of years. As a consequence the increase during the year has not kept pace with the inflation figures in the disclosure calculator. The pension and lump sum have increased but the 'real increase' in the CETV is therefore negative.

Commission members

The remuneration payable to the Commission members was as follows:

Name	2014-15		2013-14	
	Salary £000	Benefits in Kind (nearest £100)	Salary £000	Benefits in Kind (nearest £100)
The Right Honourable Sir Declan Morgan (Chair)	-	-	-	-
Mrs Sinéad Burns (appointment expired 14 June 2013)	-	-	0-5	-
Mr Brian Coulter OBE (appointed 10 November 2014)	0-5	-	-	-
The Right Honourable Lord Justice Coghlin	-	-	-	-
Mr Eoin Doyle (appointed 17 June 2013)	0-5	-	0-5	-
Mr Donal Flanagan OBE (appointment expired 14 June 2013)	-	-	-	-
Mrs Briedge Gadd District Judge (Magistrates' Courts) Amanda Henderson (appointment expired 14 June 2013)	5-10	-	5-10	-
Mrs Fiona Keenan His Honour Judge Kinney (appointed 17 June 2013)	5-10	-	5-10	-
Her Honour Judge Loughran (appointment expired 14 June 2013)	-	-	-	-
Mr James McNulty QC*	-	-	-	-
District Judge (Magistrates' Courts) Rosalie Prytherch (appointed 17 June 2013)	-	-	-	-
Mr Alastair Rankin	5-10	-	5-10	-
Professor Nichola Rooney	10-15	-	5-10	-
The Honourable Mr Justice Stephens, High Court Judge (appointed 17 June 2013)	-	-	-	-
Mr Lindsay Todd	10-15	-	5-10	-
The Honourable Mr Justice Weatherup (appointment expired 14 June 2013)	-	-	-	-

*Mr McNulty has foregone his right to claim fees and expenses.

	2014-15	2013-14
Band of Highest Paid Director's Total		
Remuneration	60-65	60-65
Median Total Remuneration	29,554	28,149
Ratio	2.11	2.22

Salary

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

There were no 'off-payroll' engagements at a cost of over £58,200 per annum as at 31 March 2015.

Benefits in kind

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

Bonuses

Bonuses are based on performance levels attained and are made as part of the appraisal process. Bonuses relate to the performance in the year in which they become payable to the individual. No bonuses were awarded in 2014-15. Commission Members do not receive bonus payments.

Pay Multiples

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 Commission in the financial year 2014-15 was £60,000-£65,000 (2013-14: £60,000-£65,000). This was 2.11 times (2013-14: 2.22 times) the median remuneration of the workforce, which was £29,554 (2013-14: £28,149).

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 movement in the ratio between 2014-15 and 2013-14 is due to a decrease in overall staff numbers due to vacancies, but an increase in staff numbers in the higher bands thus increasing the median remuneration of the workforce.

Pension Entitlements (*Audited Information*)

Commission Members

No pension contributions are made by NIJAC in respect of the Commission members.

Chief Executive

Name and title	Accrued Pension at pension age as at 31/03/15 and related lump sum	Real increase/ (decrease) in pension and related lump sum at pension age	CETV at 31/03/15	CETV at 31/03/14	Real increase/ (decrease) in CETV	Employer contribution to partnership pension account
	£000	£000	£000	£000	£000	Nearest £100
Mrs M Kilpatrick Chief Executive	25-30 plus 85-90 lump sum	(0-2.5) plus (0-2.5) lump sum	559	535	(2)	-

Northern Ireland Civil Service (NICS) 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 the Assembly each year. From April 2011 pensions payable under classic, premium, and classic plus are increased annually in line with changes in the Consumer Prices Index (CPI). Prior to 2011, pensions were increased in line with changes in the Retail Prices Index (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.

A new pension scheme, alpha, will be introduced for new entrants from 1 April 2015. The majority of existing members of the NICS pension arrangements will move to alpha from that date. Members who on 1 April 2012 were within 10 years of their normal pension age will not move to alpha and those who were within 13.5 years and 10 years of their normal pension age were given a choice between moving to alpha on 1 April 2015 or at a later date determined by their age. Alpha is also 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 rate will be 2.32%. CARE pension benefits are increased annually in line with increases in the CPI.

For 2015, public service pension contributions will be increased by 1.2% for pensions which began before 6 April 2014. Pensions which began after 6 April 2014 will be increased proportionately.

Employee contribution rates for all members for the period covering 1st April 2015 – 31st March 2016 are as follows:

Scheme Year 1st April 2015 to 31st March 2016

Pay band – assessed each pay period		Contribution rates – Classic members	Contribution rates – classic plus, premium, nuvos and alpha
From	To	From 01 April 2015 to 31 March 2016	From 01 April 2015 to 31 March 2016
£0.00	£15,000.99	3%	4.6%
£15,001.00	£21,000.99	4.6%	4.6%
£21,001.00	£47,000.99	5.45%	5.45%
£47,001.00	£150,000.99	7.35%	7.35%
£150,001.00 and above		8.05%	8.05%

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**. The normal pension age in alpha will be linked to the member's State Pension Age but cannot be before age 65. Further details about the NICS pension arrangements can be found at the website www.dfpni.gov.uk/civilservicepensions-ni.

Cash Equivalent Transfer Values

A Cash Equivalent Transfer Value (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 NICS pension 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 and do not take account of any actual or potential benefits resulting from Lifetime Allowance Tax which may be due when pension benefits are taken.

Real increase in CETV

This reflects the increase in CETV effectively funded by the employer. It does 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 compensation paid for loss of office during 2014-15 (2013-14: Nil).



Mandy Kilpatrick
Accounting Officer
10 September 2015

STATEMENT OF THE NORTHERN IRELAND JUDICIAL APPOINTMENTS COMMISSION'S AND ACCOUNTING OFFICER'S RESPONSIBILITIES

Under paragraph 7 of Schedule 2 to the Justice (Northern Ireland) Act 2002 as amended, the Northern Ireland Judicial Appointments Commission is required to prepare a statement of accounts in respect of each financial year in such a form and on the basis determined by the Office of the First Minister and Deputy First Minister (OFMDFM), with the approval of the Department of Finance and Personnel. The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of NIJAC at the year end and of the income and expenditure, 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 OFMDFM 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, unless it is inappropriate to presume that NIJAC will continue in operation.

The Accounting Officer of OFMDFM designated the Chief Executive as the Accounting Officer for NIJAC. 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 NIJAC's assets are set out in *Managing Public Money Northern Ireland* issued by DFP.

GOVERNANCE STATEMENT

Introduction

This statement is given in respect of the Northern Ireland Judicial Appointments Commission's Accounts for 2014-15. It outlines NIJAC's governance framework for directing and controlling its functions and how assurance is provided to support me in my role as Accounting Officer.

The Governance Framework

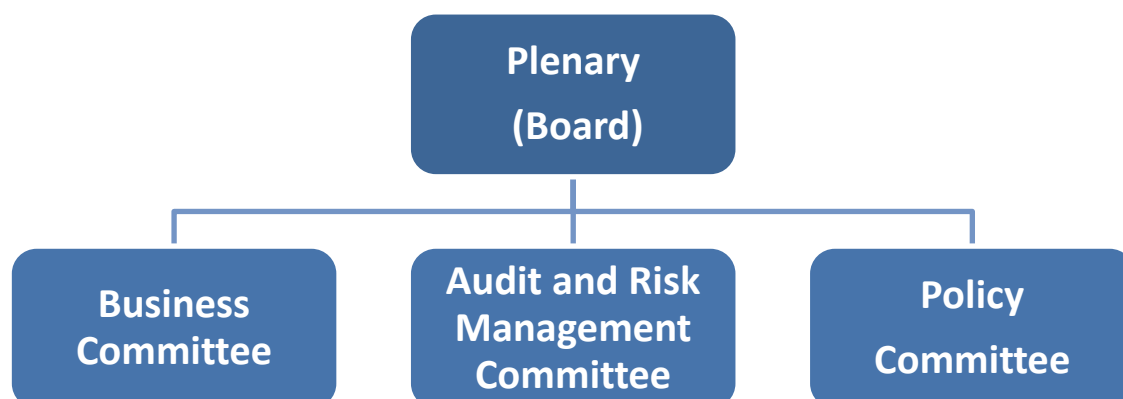
As Accounting Officer of NIJAC I have overall responsibility for ensuring NIJAC applies high standards of corporate governance, including effective support for the Board's performance and management of risks, to ensure it is well placed to deliver its objectives, and is sufficiently robust to face challenges that it encounters.

I have responsibility for maintaining a sound system of internal control that supports the achievement of the Northern Ireland Judicial Appointments Commission's policies, aims and objectives, whilst safeguarding the public funds and assets for which I am personally responsible, in accordance with the responsibilities assigned to me in Managing Public Money NI and the Non Departmental Public Body (NDPB) Accounting Officer Memorandum.

The Plenary (Board) has three committees, the Audit and Risk Management Committee, the Business Committee and the Policy Committee.

The relationship between NIJAC and its sponsoring Department, OFMDFM, is set out in the Management Statement. The Management Statement defines the financial and administrative framework within which NIJAC operates, sets out the conditions on which grant-in-aid is paid and the delegations within which NIJAC operates. The Management Statement has been approved by Ministers responsible for OFMDFM. It is supplemented by a Financial Memorandum agreed with NIJAC and approved by OFMDFM and the Department of Finance and Personnel (DFP).

Committee Structure and Coverage of Work



The Plenary

The Plenary is a meeting of all Commissioners and is chaired by the Chairman of NIJAC.

The Plenary meets five times a year. Exceptional meetings are convened as required. The Chairman and the Chief Executive determine the programme of meetings and business each year. Approved minutes of Plenary meetings are published on NIJAC's website.

The Board of NIJAC (Plenary) has corporate responsibility for ensuring that it fulfils its statutory obligations and the aims and objectives agreed with its sponsor department.

A detailed list of responsibilities of the Board is set out in the Management Statement and Financial Memorandum and the Justice (Northern Ireland) Act 2002 and includes the requirement to comply with the Code of Conduct (7 Nolan Principles).

Membership as at 31 March 2015

The Right Honourable Sir Declan Morgan (Chairman), the Lord Chief Justice of Northern Ireland

The Right Honourable Lord Justice Coghlin, Lord Justice of Appeal

Mr Brian Coulter OBE, Lay Member

Mr Eoin Doyle, Lay Magistrate

Mrs Breidge Gadd, Lay Member

Mrs Fiona Keenan, Lay Member

His Honour Judge Kinney, County Court Judge

Mr James McNulty QC, Legal Member

District Judge (Magistrates' Courts) Rosalie Prytherch

Mr Alastair Rankin, Solicitor, Legal Member

Professor Nichola Rooney, Lay Member

The Honourable Mr Justice Stephens, High Court Judge

Mr Lindsay Todd, Lay Member

Commissioners are drawn from the judiciary, legal profession and other professional backgrounds. Commissioners have an equal say in the work of NIJAC and are of equal status.

Section 3 of the Justice (Northern Ireland) Act 2002 describes the constitution of the Commission (Board) as follows:

- The Lord Chief Justice (Chairman)
- a Lord Justice of Appeal
- a Judge of the High Court
- a County Court Judge
- a District Judge (Magistrates' Courts)
- a Lay Magistrate
- a barrister
- a solicitor
- five lay members

The Audit and Risk Management Committee

The Audit and Risk Management Committee (ARMC) supports the Plenary and the Accounting Officer by reviewing the comprehensiveness, reliability and integrity of the assurances provided to the Committee regarding NIJAC's internal controls, risk management processes and governance. This includes financial, operational and compliance controls and the quality and reliability of financial reporting. On the basis of assurances provided to it, the Committee will form an overall view of the state of risk management, governance and internal control in the commission which it will report to the Plenary.

The Committee consists of at least four members and meets four times per year. Additional meetings may be convened to discuss particular issues at the request of the Accounting Officer, the Chairman of the ARMC or the Chairman and a member of the ARMC. The meetings are normally attended by a representative from the NIJAC's Internal Audit function, External Audit and the Sponsorship Department.

The ARMC is an advisory body with no executive powers. However, it is authorised by the Plenary to investigate any activity within its terms of reference, and to seek any information it requires from staff, who are requested to co-operate with the Committee in the conduct of its enquiries. Requests for work and reports received from Internal Audit will be channelled through the Accounting Officer. The ARMC is authorised to obtain independent professional advice if it considers it necessary.

The ARMC advises the Plenary and Accounting Officer on:

- the strategic process for risk, control and governance and the Governance Statement;
- the accounting policies, the accounts, and the annual report of NIJAC, including the process of review of the accounts prior to submission for audit, levels of error identified, and the management's letter of representation to the external auditors;
- the planned activity and results of both internal and external audit;
- adequacy of management response to issues identified by audit activity, including External Audit's Report to Those Charged with Governance;
- assurances relating to the corporate governance requirements for NIJAC;
- proposals for tendering Internal Audit services;
- anti-fraud policies, whistle-blowing processes and arrangements for special investigations; and
- the Committee will also periodically review its own effectiveness and report the results of that review to the Plenary.

A full list of the ARMC's tasks and responsibilities can be found in the Committee's Terms of Reference contained within the NIJAC Standing Orders and Scheme of Delegation.

Membership as at 31 March 2015

Mr Lindsay Todd, Lay Member (Chair)

Mr Brian Coulter OBE, Lay Member

His Honour Judge Kinney, County Court Judge

Professor Nichola Rooney, Lay Member

The Honourable Mr Justice Stephens, High Court Judge

The Business Committee

The Business Committee sits four times a year (five in 2014-15) and consists of at least four members. The Chair of the Committee reports back to the Plenary at each session.

The Business Committee is responsible for the following:

- The approval of publication of the Business Plan and Corporate Plan and overseeing the Chief Executive's review and monitoring of performance against the Business and Corporate Plan objectives.
- Ensuring that Annual Report and Accounts are produced and adhere to the Accounts Direction issued by the Office of the First and Deputy First Minister in accordance with Paragraph 7 of Schedule 2 of the Justice (Northern Ireland) Act 2002.
- The approval of the commencement of Appointment Schemes and outreach plans, plus monitoring progress of Appointments and Renewals. The membership of panels for Appointment Schemes, as proposed by the Chief Executive, will be shared with the Committee for comment, prior to consultation and final approval by the Chair of NIJAC.
- Overseeing and monitoring the budget and use of public funds.
- Ensuring that procedures are in place for the identification and assessment of risk, and those risks impacting on the achievement of NIJAC's objectives are identified and reported on correctly in the Corporate Risk Register.
- The approval of any Direct Award Contracts over £500.

Membership as at 31 March 2015

Mrs Breidge Gadd (Chair)

Mr Eoin Doyle, Lay Magistrate

District Judge (Magistrates' Courts) Rosalie Prytherch

Mr Alastair Rankin, Solicitor, Legal Member

The Policy Committee

The Policy Committee sits four times a year and consists of at least five members. The Chair of the Committee reports back to the Plenary at each Plenary session.

The Policy Committee is responsible for:

- Directing a programme of work to ensure delivery of the Programme of Action to result, as far as is reasonably practicable to do so, in a range of people reflective of the community being available for consideration for appointment on merit.
- Directing a programme of work to ensure all relevant policies are initiated and reviewed in order to inform best practice assessment and selection methodologies that select fairly and on the basis of merit.
- Ensuring scheme evaluations and the diversity management information developed and used supports and informs the work of the committee and determination of priorities.

Membership as at 31 March 2015

The Right Honourable Lord Justice Coghlin, Lord Justice of Appeal (Chair)

Mrs Fiona Keenan, Lay Member

His Honour Judge Kinney, County Court Judge

Mr James McNulty QC, Legal Member

Mr Alastair Rankin, Solicitor, Legal Member

Professor Nichola Rooney, Lay Member

At the beginning of each Plenary and Committee meeting, members are asked by the Chair to declare any conflicts or potential conflicts of interest. To allow members to prepare and consider any potential conflicts of interest members are provided with an agenda and all papers to be discussed two weeks before the meeting. When a potential conflict of interest is declared by a member, the remaining members consider the potential conflict and a decision is made to whether the member should step out of the meeting when the agenda item is discussed.

Attendance at Plenary and Committee Meetings

Members	Plenary (5 in 2014/15)	Audit & Risk Management Committee (4 in 2014/15)	Business Committee (5 in 2014/15)	Policy Committee (4 in 2014/15)
The Right Honourable Sir Declan Morgan (Chairman)	5 (5)	-	-	-
Mr Brian Coulter OBE, Lay Member (appointed 10 November 2014)	2 (2)	2 (2)	-	-
The Right Honourable Lord Justice Coghlin	4 (5)	-	-	4 (4)
Mr Eoin Doyle	5 (5)	-	5 (5)	-
Mrs Breidge Gadd	5 (5)	-	5 (5)	-
Mrs Fiona Keenan	4 (5)	-	-	4 (4)
His Honour Judge Kinney	3 (5)	3 (4)	-	3 (4)
Mr James McNulty QC	5 (5)	-	-	4 (4)
District Judge (Magistrates' Courts) Rosalie Prytherch	5 (5)	-	4 (5)	-
Mr Alastair Rankin	5 (5)	-	4 (5)	4 (4)
Professor Nichola Rooney	5 (5)	4 (4)	-	3 (4)
The Honourable Mr Justice Stephens	4 (5)	4 (4)	-	-
Mr Lindsay Todd	5 (5)	3 (4)	-	-

The figures in brackets denote the number of meetings each Commissioner was eligible to attend.

Board's Performance and Effectiveness

The Plenary (Board) comprises of 13 members drawn from the judiciary, legal profession and other professional backgrounds. The Chairman is the Lord Chief Justice of Northern Ireland, Sir Declan Morgan.

The judicial members are nominated by the Lord Chief Justice, with each judicial tier represented. The Bar Council of Northern Ireland and Law Society of Northern Ireland nominate one member each to serve on the Commission, and the Commission's five lay members are public appointments; OFMDFM are responsible for their appointment and re-appointment.

Each January, the Business Committee in accordance with its Terms of Reference, approves the timetable of meetings for Plenary, the Audit and Risk Management Committee, the Business Committee and the Policy Committee for the year commencing 1 April. It is then the responsibility of each Committee to plan its work for the year to allow sufficient time to discharge its responsibilities effectively.

There was one new Commission Member appointed on 10 November 2014. A full induction process with training was provided, including attendance at the Public Accountability and Governance course for Board Members on 8 December 2014, to ensure he was fully functional on all Committees in which he was assigned to. Assignment to Committees was made by assessing the member's expertise and strengths, and on which Committee this could best be utilised.

Ongoing training is provided to Committee Members to keep members' skills and knowledge up-to-date, and ensure the effectiveness of the Committee on which they sit. Commissioners were provided with the following training during the year:

- Responsible for Information - Non-Executive and Board Level Director e-learning course
- Government Security Classification e-learning course
- Data Protection training DVD from the Information Commissioner's Office
- Protecting Information e-learning course

Unless otherwise agreed, notice of each meeting confirming the venue, time and date together with an agenda of items to be discussed and papers relating thereto are forwarded to each Committee member, and any person required to attend, no later than two weeks before the meeting. The timely provision of information is in a form and of a quality that enables the Plenary/Committee to discharge its duties effectively. Plenary/Committees are content with the quality and content of the papers provided; the papers ensure the Plenary/Committees are fully updated on issues under their remit as stated in their terms of reference, enabling them to make informed decisions.

The Commission regularly looks at the work of others, including the Judicial Appointment Commission for England and Wales, the Public Appointments Service for Ireland, the Commissioner for Public Appointments for Northern Ireland, and the Judicial Appointments Board for Scotland, as a way of learning, benchmarking its performance against others and ensuring best practice.

The Plenary assesses its performance, and that of its Committees, on an annual basis. A review of the Standing Orders and Scheme of Delegation (including Plenary and Committee Terms of Reference) was carried out in November 2014. A Concordat between Commissioners and staff was created during 2014-15 and the revision of the NIJAC Code of Conduct for Commission Members and the NIJAC Commission Members Fees Policy took place. In addition, Policy Committee achieved all planned actions to deliver best practice in recruitment in accordance with the project plan. Every Committee reports its progress to the Plenary by way of a Committee Chair Update at each meeting. Each Committee presents a report annually to Plenary, timed to support finalisation of the accounts and summarising its conclusions from work it has done during the year.

All Commissioners complete a Board Effectiveness Questionnaire annually and the findings and planned actions are presented to the Plenary after the year end to improve the Plenary's effectiveness. The Board Effectiveness Sub Committee presented the Board Development Plan for 2015-16 to the Plenary in February 2015. The overall objective of the NIJAC Board Development Plan is to build the capacity and capability of the NIJAC Board by responding to the issues and opportunities for improvement identified through the Board Effectiveness Questionnaires.

The themes and objectives of the Board Development Plan include the following Core Themes:

- ***Engagement***

The extent to which Commissioners engage effectively with our key stakeholders and fairly balance the claims of all stakeholders including staff, the sponsoring Department, the professions and the general public.

- ***Teamwork***

The extent to which Commissioners genuinely operate as a team utilising the skills and strengths of individual commissioners, adopting collaborative behaviours and engaging in constructive and meaningful challenge.

- ***Communication***

The extent to which our channels of communication facilitate the effective and efficient discharge of our collective responsibilities and help to ensure the portrayal of a positive image to all our stakeholders.

In December 2014, all Commissioners were asked to indicate their preference as to which committee they would like to serve on, together with a few lines on why they felt they were best suited to their choices. An indication of whether they wanted to be considered as Chair of a Committee was also requested. The replies were analysed and new Committee memberships were agreed; these will take effect from 1 September 2015.

Each Chair of the Committees gave their annual review of the effectiveness of their Committee for 2014-15 at the April 2015 Plenary. All Chairs were content that their Committees were effective in their work. Details can be found in the Plenary minutes of the 23 April 2015 published on the NIJAC website.

The Chairman of the Commission undertakes a performance review annually with each individual member. This assesses the member's role not only as a member of the Plenary/Committees but also as a Selection Panel Member.

NIJAC staff provides secretarial support to Plenary, the Audit and Risk Management Committee, the Business Committee and Policy Committee. The staff have the appropriate skills and experience to provide the secretarial support required. Each Committee will have access to sufficient resources in order to carry out its duties, this includes the support of the appropriate team, who will be responsible for arranging meetings, drafting agendas in consultation with the Chair, providing and circulating papers, maintaining Committee records including taking minutes and undertaking any Committee business that may fall outside meetings.

Highlights

There have been no issues during the course of the year from Board meetings or reports that suggest that the organisation has been vulnerable in relation to its performance or stewardship of its resources. This can be confirmed through the performance against our Business Plan objectives, while keeping within our budget allocation from OFMDFM. Other assurance mechanisms are through the work and reports from both the Internal and External Audit functions.

For 2014-15 Internal Audit gave an overall Satisfactory assurance rating to NIJAC. During 2014-15, Internal Audit carried out 3 reviews in accordance with the 2014-15 Internal Audit Plan. The reviews and assurance ratings are as follows:

System	Assurance rating *
Payroll, Pensions and Travel Expenses	Substantial
Appointments	Substantial
IT Security and Information Assurance	Satisfactory

*Assurance rating definitions

Substantial – There is a robust system of risk management, control and governance which should ensure that objectives are fully achieved.

Satisfactory – Overall there is an adequate and effective system of governance, risk management and control. While there is some residual risk identified this should not significantly impact on the achievement of objectives. Some improvements are required to enhance the adequacy and /or effectiveness of governance, risk management and control.

A Follow up Review in respect of the 2013-14 internal audit reviews was also carried out which confirmed all actions had been carried out.

NIJAC uses AccessNI routinely to check if there are criminal records for those recommended for appointment. In April 2014 AccessNI conducted an audit of NIJAC's management of the acquisition and retention of Disclosure Certificates for Criminal Record Checks. NIJAC was notified by AccessNI in June 2014 that it complied with AccessNI's Code of Practice in relation to the acquisition and retention of Disclosure Certificates for Criminal Record Checks.

Corporate Governance

NIJAC follow the Department of Finance and Personnel (DFP) guidance *Corporate governance in central government departments: Code of good practice NI 2013*, as far as possible in its capacity as a small arms lengths body. As such, it does not comply with the code provisions relating to a Minister, nor have a separate professionally qualified finance director sitting on the Board. Apart from the specific exceptions noted above, I am content NIJAC complies with the principles set out in the Code of Good Practice (NI) 2013.

The Board membership is set down in the Justice (Northern Ireland) Act 2002. The Chairs of each Committee reported to Plenary in April 2015 on the effectiveness of the Committee and their performance in 2014-15. Risk Management is supported fully through the Audit & Risk Management Committee, which reports back to the Board.

Otherwise, in accordance with this code, Plenary and its other Committees provide the necessary leadership, effectiveness, accountability and sustainability to ensure that NIJAC delivers on its objectives. As Accounting Officer, I also take seriously my responsibilities on the use of public funds that have been provided to NIJAC, to ensure the most effective and efficient use of those funds.

NIJAC has a balanced Board in place, in accordance with the Justice (Northern Ireland) Act 2002, which consist of the Chairman and the Commissioners, who all have equal decision-making rights. As Chief Executive I attend Plenary meetings, together with the Business Managers, in a non-voting capacity.

Internal Control and Risk Management

NIJAC has appropriate procedures in place to ensure that it has identified its objectives and risks and determined a control strategy for its strategic risks. A corporate approach to risk, involving Commissioners and the Senior Management Team is taken.

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.

A number of elements contribute to the system of internal control including:

- The Senior Management Team, which exercises authority at a corporate level within NIJAC and comprises the Accounting Officer and Business Managers.
- The Business Committee, which is chaired by a Lay Member, is presented with the Corporate Risk Register at each meeting for review. The Committee met 5 times in 2014-15.
- The Audit and Risk Management Committee, chaired by a Lay Member, met 4 times in 2014-15. The Committee receives reports on internal control and provides oversight in ensuring that appropriate steps are being taken to manage and monitor risks, the Committee reviews the risk register at each meeting. The Committee approves Internal Audit plans and reviews reports from both Internal and External Auditors. The meetings are also attended by Internal and External Audit, and minutes of the meetings are provided to the Plenary, which comprises the full Commission.
- The Plenary, chaired by the Lord Chief Justice in his role as Chairman of the NIJAC, receives the Corporate Risk Register annually and an update is provided at each meeting by the Accounting Officer.
- The internal audit function, which is provided by ASM, operates to the Public Sector Internal Audit Standards. Internal Audit submits regular reports to the Audit and Risk Management Committee and to me as Accounting Officer. These include an independent opinion by the Head of Internal Audit on the adequacy, reliability and effectiveness of the Commission's system of risk management, control and governance, together with recommendations for improvement.

- Quarterly Assurance Statements on Internal Control are produced by the Business Manager in each team and sent to me as Accounting Officer. These provide me with assurance that risk management processes are effective and operating in line with NIJAC's risk management framework. As Accounting Officer, I submit quarterly Assurance Statements on Internal Control to NIJAC's Sponsoring Department, OFMDFM, and the Audit and Risk Management Committee.

Risk assessment and management is an ongoing process in NIJAC. The key strategic risks are set out in the Corporate Risk Register. The Business Managers are responsible for the risk management within their own team, covering the individual areas of:

- Appointments;
- Corporate Planning, Resources and Governance; and
- Diversity and Communications.

Risks to information are managed and controlled as part of the Risk Management Process. The Information Risk Policy supplements our corporate approach to risk management and encourages staff and managers to consider information as assets, supported by the compilation of Information Asset Registers. As Accounting Officer, I have assumed the role of Senior Information Risk Owner for NIJAC. A data protection issue occurred in April 2015 with the initial registration stage of a recruitment scheme. The issue was quickly identified, investigated and reported to the relevant parties with all appropriate actions taken.

As part of the business planning process, at all levels, the identification and assessment of risk is required when setting business objectives; these risks are formally reported in the Corporate Risk Register. Risks are assessed in terms of their probability of occurrence and impact on the achievement of objectives, and scored and reported on accordingly.

NIJAC's Risk Management Handbook is used to manage risks that may affect the achievement of business objectives. It outlines the respective roles and responsibilities of the Accounting Officer, the Business Managers, Internal Audit, the Audit and Risk Management Committee and all staff.

NIJAC has ensured that procedures are in place for verifying that risk management and internal control are regularly reviewed, challenged, and reported on. The Risk Register is formally reviewed and updated quarterly at Senior Management Team meetings, reviewed at each meeting of the Business Committee and the Audit and Risk Management Committee, and reviewed annually at the Plenary meeting.

NIJAC has a low to medium risk appetite, that is, NIJAC are prepared to accept, tolerate or be exposed to a low to medium level of risk at any point in time.

A new risk on the Risk Register in 2014-15 was '*Breaches of confidentiality and speculation around schemes by others, causing misinformation and potential for reputational damage*', controls are in place to mitigate the risk, but I will continue to monitor and review their effectiveness.

NIJAC are operating within a constrained economic environment in the 2015-16 financial year. Plenary will continue to monitor and evaluate the risk various cost cutting measures may have on service delivery through the Business Committee.



Mandy Kilpatrick
Accounting Officer
10 September 2015

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 Judicial Appointments Commission for the year ended 31 March 2015 under the Justice (Northern Ireland) Act 2002 as amended. These comprise the Statements of Comprehensive Net Expenditure, Financial Position, Cash Flows, Changes in Taxpayers' Equity and the related notes. These financial statements have been prepared under the accounting policies set out within them. I have also audited the information in the 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 the Northern Ireland Judicial Appointments Commission's 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 audit, certify and report on the financial statements in accordance with the Justice (Northern Ireland) Act 2002 as amended. 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 Judicial Appointments Commission's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Northern Ireland Judicial Appointments Commission; 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 and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by me in the course of performing the audit. If I become aware of any apparent material misstatements or inconsistencies I consider the implications for my certificate.

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

Opinion on regularity

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

Opinion on financial statements

In my opinion:

- the financial statements give a true and fair view of the state of the Northern Ireland Judicial Appointments Commission's affairs as at 31 March 2015 and of the net expenditure, cash flows and changes in taxpayers' equity for the year then ended; and
- the financial statements have been properly prepared in accordance with the Justice (Northern Ireland) Act 2002 as amended and the Office of the First Minister and deputy First Minister's directions issued thereunder.

Opinion on other matters

In my opinion:

- the part of the Remuneration Report to be audited has been properly prepared in accordance with Office of First Minister and deputy First Minister's directions made under the Justice (Northern Ireland) Act 2002 as amended; and
- the information given in the Management Commentary, Strategic Report and Director's Report 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 Governance Statement does not reflect compliance with Department of Finance and Personnel's guidance.

Report

I have no observations to make on these financial statements.

A handwritten signature in black ink, appearing to read 'K J Donnelly', with a stylized flourish at the end.

KJ Donnelly

Comptroller and Auditor General

Northern Ireland Audit Office

106 University Street

Belfast

BT7 1EU

16 September 2015

**NORTHERN IRELAND JUDICIAL
APPOINTMENTS COMMISSION**

ACCOUNTS

2014-15

Statement of Comprehensive Net Expenditure for the year ended 31 March 2015

		Year ended 31/03/15	Year ended 31/03/14
		£	£
	Note		
Expenditure			
Staff costs	4	659,132	732,437
Depreciation, amortisation and revaluation	5	3,398	12,754
Other Expenditure	5	543,746	624,270
		<u>1,206,276</u>	<u>1,369,461</u>
Income			
Other Income	3	<u>(157,302)</u>	<u>(139,387)</u>
Net Expenditure transferred to Taxpayers' equity		<u>1,048,974</u>	<u>1,230,074</u>

All operations are continuing.

Other Comprehensive Net Expenditure

Items that will not be reclassified to net operating costs:

		Year ended 31/03/15	Year ended 31/03/14
		£	£
	Note		
Net (gain)/loss on revaluation of Intangibles	7	(8)	612
Total Comprehensive Net Expenditure for the year ended 31 March		<u>1,048,966</u>	<u>1,230,686</u>

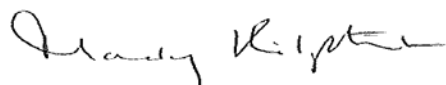
The notes on pages 72 to 92 form part of the accounts

Statement of Financial Position

as at 31 March 2015

	Note	31 March 2015		31 March 2014	
		£	£	£	£
Non-current assets:					
Property, plant and equipment	6	4,060		5,354	
Intangible assets	7	<u>1,881</u>		<u>861</u>	
Total non-current assets			5,941		6,215
Current assets:					
Trade and other receivables	9	65,413		29,543	
Cash and cash equivalents	10	<u>1,746</u>		<u>48,217</u>	
Total current assets			67,159		77,760
Total assets			<u>73,100</u>		<u>83,975</u>
Current liabilities					
Trade and other payables	11	<u>(161,675)</u>		<u>(146,575)</u>	
Total current liabilities			(161,675)		(146,575)
Non-current assets less net current liabilities			<u>(88,575)</u>		<u>(62,600)</u>
Total assets less liabilities			<u>(88,575)</u>		<u>(62,600)</u>
Taxpayers' equity					
Revaluation reserve			1,396		1,388
General reserve			<u>(89,971)</u>		<u>(63,988)</u>
			<u>(88,575)</u>		<u>(62,600)</u>

The financial statements on pages 67 to 92 were approved by the Plenary on 10 September 2015 and were signed on its behalf by:



Mandy Kilpatrick
Chief Executive
10 September 2015

The notes on pages 72 to 92 form part of the accounts

Statement of Cash Flows

for the year ended 31 March 2015

		Year ended 31/03/15	Year ended 31/03/14
		£	£
	Note		
Cash flows from operating activities			
Net Expenditure		(1,048,974)	(1,230,074)
Adjustments for non-cash transactions		3,398	12,754
(Increase)/decrease in trade and other receivables	9	(35,870)	(12,972)
Increase/(decrease) in trade and other payables	11	15,100	12,987
Net cash outflow from operating activities		<u>(1,066,346)</u>	<u>(1,217,305)</u>
Cash flows from investing activities			
Purchase of property, plant and equipment	6	(1,232)	-
Purchase of intangible assets	7	(1,884)	(234)
Net cash outflow from investing activities		<u>(3,116)</u>	<u>(234)</u>
Cash flows from financing activities			
Grants from sponsoring department		1,022,991	1,241,326
Net financing		<u>1,022,991</u>	<u>1,241,326</u>
Net increase/(decrease) in cash and cash equivalents in the period		<u>(46,471)</u>	<u>23,787</u>
Cash and cash equivalents at the beginning of the period	10	<u>48,217</u>	<u>24,430</u>
Cash and cash equivalents at the end of the period	10	<u>1,746</u>	<u>48,217</u>

The notes on pages 72 to 92 form part of the accounts

Statement of Changes in Taxpayers' Equity for the year ended 31 March 2015

	General Reserve £	Revaluation Reserve £	Total Reserves £
Balance at 1 April 2013	(75,240)	2,000	(73,240)
Grants from Sponsoring Entity	1,241,326	-	1,241,326
Transfers between reserves	-	-	-
Comprehensive Expenditure for the year	<u>(1,230,074)</u>	<u>(612)</u>	<u>(1,230,686)</u>
Movements in Reserves	<u>11,252</u>	<u>(612)</u>	<u>10,640</u>
Balance at 31 March 2014	(63,988)	1,388	(62,600)
Changes in taxpayers' equity for 2014-15			
Grants from Sponsoring Entity	1,022,991	-	1,022,991
Transfers between reserves	-	-	-
Comprehensive Expenditure for the year	<u>(1,048,974)</u>	<u>8</u>	<u>(1,048,966)</u>
Movements in Reserves	<u>(25,983)</u>	<u>8</u>	<u>(25,975)</u>
Balance at 31 March 2015	(89,971)	1,396	(88,575)

The notes on pages 72 to 92 form part of the accounts

Notes to the Financial Statements

1.0 Statement of Accounting Policies

These financial statements have been prepared in accordance with the 2014-15 *Government Financial Reporting Manual (FReM)* issued by the Department of Finance and Personnel. The accounting policies contained in the FReM apply International Financial Reporting Standards (IFRS) as adapted or interpreted for the public sector context. Where the FReM permits a choice of accounting policy, the accounting policy which is judged to be most appropriate to the particular circumstances of NIJAC for the purpose of giving a true and fair view has been selected. The particular policies adopted by NIJAC are described below. They have been applied consistently in dealing with items considered material to the accounts.

1.1 Accounting convention

These accounts have been prepared under the historical cost convention modified to account for the revaluation of intangible assets.

1.2 Property, Plant and Equipment

Property, plant and equipment comprises of plant and equipment, furniture and fittings, and information technology.

Expenditure on property, plant and equipment of £1,000 or more is capitalised. For furniture and fittings the individual assets are recorded on a pooled basis.

On initial recognition, assets are measured at cost, including any costs such as installation, directly attributable to bringing them into working condition.

All property, plant and equipment are reviewed annually for impairment. As permitted by the FReM, NIJAC has adopted the depreciated historical cost basis as a proxy for fair value where non-property operational assets are deemed to be short-life or low value assets.

All non-property operational assets are deemed to be short-life or low value assets and are therefore valued on the basis of depreciated historical cost as an approximation of fair value.

Property, plant and equipment were not revalued as there is unlikely to be material difference between historical cost amounts and the revalued amounts due to the short expected useful life of the assets and their low values.

All expenditure on repairs and maintenance is charged to the Statement of Comprehensive Net Expenditure during the financial year in which it is incurred.

1.3 Intangible assets

Expenditure on intangible assets which includes software, software licences, and the associated costs of implementation is capitalised where the cost is £1,000 or more.

Intangible assets are reviewed annually for impairment, and restated to current value each year by reference to Office of National Statistics (ONS) indices. The indices were obtained from ONS MM22 Producer Price Indices as at March 2015. Assets are not indexed in the year of acquisition.

1.4 Depreciation and Amortisation

Property, plant, and equipment are depreciated at rates calculated to write them down to estimated residual value on a straight-line basis over their estimated useful lives. Depreciation is charged in the month of acquisition.

Intangible assets are amortised over the shorter of the term of the licence and the useful economic life.

Useful lives are normally in the following ranges:

Plant and Equipment	5-10 years
Furniture and Fittings	5-10 years
Information Technology	3 years
Intangible Assets	3 years

The residual values of assets are reviewed on an annual basis.

Additions to non-current assets will be depreciated from the month of acquisition where material. Disposals from non-current assets will not be depreciated in the month of disposal.

1.5 Inventories

Consumable inventories are not considered material and are charged to the Statement of Comprehensive Net Expenditure in the year of purchase.

1.6 Income

(a) Financing

Grant-in-Aid funding received from OFMDFM is treated as financing and is recorded in the accounts as a movement in the General Fund.

(b) Income

Income consists of recharges for rent, rates, and other premises costs for the sharing of Headline Building with the Commission for Victims and Survivors Northern Ireland (CVSNI). Grant in aid funding received from OFMDFM is treated as a movement in the General Fund.

1.7 Operating leases

Leases where substantially all of the risks and rewards are held by the lessor are classified as operating leases. Rentals under operating leases are charged to the Statement of Comprehensive Net Expenditure on a straight-line basis over the term of the lease. There were no operating leases held during the year.

1.8 Pensions

Past and present employees are covered by the provisions of the Principal Civil Service Pension Scheme (PCSPPS) which are described in Note 4. The defined benefit schemes are unfunded and are non-contributory, except in respect of dependants' benefits. NIJAC 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 PCSPPS of amounts calculated on an accruing basis. Liability for payment of future benefits is a charge on the PCSPPS. In respect of the defined contribution elements of the schemes, NIJAC recognises the contributions payable for the year.

1.9 Value Added Tax

NIJAC is ineligible to reclaim input Value Added Tax (VAT) on expenditure. Therefore, all expenditure is inclusive of VAT.

1.10 Provisions

NIJAC provides for legal or constructive obligations, which are of uncertain timing or amount at the reporting 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 discounted using HM Treasury's discount rate of 2.2% in real terms (2013-14: 2.2%). No provisions were necessary for 2014-15.

1.11 Contingent Liabilities

Where the time value of money is material, contingent liabilities which are required to be disclosed under IAS 37 are stated at discounted amounts.

1.12 Financial Instruments

A financial instrument is defined as any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

A financial instrument is recognised when, and only when, the entity becomes a party to the contractual provisions of the instrument. A previously recognised financial asset is derecognised when, and only when, either the contractual rights to the cash flows from that asset expire, or the entity transfers the asset such that the transfer qualified for derecognition. A financial liability is derecognised when, and only when, it is extinguished.

NIJAC does not hold any complex financial instruments. The majority of financial instruments relate to contracts for non-financial items in line with NIJAC's expected purchase and usage requirements; NIJAC is therefore exposed to little credit, liquidity or market risk.

NIJAC has financial instruments in the form of trade receivables and payables, and cash and cash equivalents.

In accordance with IAS 39 *Financial Instruments: Recognition and Measurement*, trade receivables, cash and other receivables are classified as 'loans and receivables'. Loans and receivables are non-derivative non-current assets with fixed or determinable payments that are not quoted in an active market. Loans and receivables are initially recognised at fair value and subsequently carried at amortised cost using the effective interest method less any impairment.

Cash and cash equivalents comprise cash in hand and current balances with banks which are readily convertible to known amounts of cash which are subject to insignificant risk of changes in value.

NIJAC assesses at each statement of financial position date whether there is any objective evidence that a financial asset or group of financial assets classified as loans and receivables is impaired.

The amount of the loss is calculated as the difference between the carrying amount of the asset and the present value of estimated future cash flows from the asset discounted at the effective interest rate of the instrument at initial recognition.

Impairment losses are assessed individually for financial assets that are individually significant and individually or collectively for assets that are not individually significant. In making collective assessment of impairment, financial assets are grouped into portfolios on the basis of similar risk characteristics. Future cash flows from these portfolios are estimated on the basis of the contractual cash flows and historical loss experience for assets with similar risk characteristics.

Impairment losses are recognised in the Statement of Comprehensive Net Expenditure and the carrying amount of the financial asset or group of financial assets reduced by establishing an allowance for impairment losses. If in a subsequent period the amount of the impairment loss reduces and the reduction can be ascribed to an event after the impairment was recognised, the previously recognised loss is reversed by adjusting the allowance.

When a financial asset is deemed unrecoverable the amount of the asset is reduced directly and the impairment loss is recognised in the Statement of Comprehensive Net Expenditure to the extent that a provision was not previously recognised.

NIJAC also has financial instruments in the form of trade payables that are classified in accordance with IAS 39 as ‘other financial liabilities’. These are initially measured at fair value, net of transaction costs, and subsequently measured at amortised cost using the effective interest method.

1.13 Employee Benefits

Under the requirements of IAS 19 *Employee Benefits*, staff costs must be recorded as an expense as soon as the organisation is obligated to pay them. This includes the cost of any annual and flexi leave entitlements that have been earned at the year end but not yet taken. The cost of untaken annual and flexi leave has been determined by using actual salary costs and the data from staff leave returns at 31 March. It is not anticipated that the level of untaken leave will vary significantly from year to year.

1.14 Estimate techniques used and key judgements

The preparation of financial statements in conformity with IFRS requires the use of accounting estimates and assumptions. It also requires management to exercise its judgement in the process of applying NIJAC’s accounting policies. We continually evaluate our estimates, assumptions and judgements based on available information and experience. As the use of estimates is inherent in financial reporting, actual results could differ from these estimates. The estimates and assumptions which have the most significant risk of causing a material adjustment to the carrying amounts of assets and liabilities are discussed below.

- *Depreciation of property, plant and equipment, and amortisation of intangible assets.*

Depreciation and amortisation is provided in the accounts so as to write-down the respective assets to their residual values over their expected useful lives and as such the selection of the estimate useful lives and the expected residual values of the assets requires the use of estimates and judgements. Details of the estimated useful lives are shown in Note 1.4.

1.15 Accounting standards, interpretations and amendments to published standards adopted in the year ended 31 March 2015

Additional or revised accounting standards and new (or amendments to) interpretations contained within FReM 2014-15 have been considered. The adoption of these standards has not had a significant impact on NIJAC's financial position or results.

1.16 Accounting standards, interpretations and amendments to published standards not yet effective

NIJAC has reviewed new accounting standards that have been issued but are not yet effective, nor adopted early for these accounts. NIJAC considers that these are unlikely to have a significant impact on the accounts in the period of initial application.

2. Statement of Operating Costs by Operating Segment

The organisation's operating structure has been reviewed to identify if there are any business activities which are unconnected and thus separate segments as defined by IFRS 8 *Operating Segments*. NIJAC does not generate any income streams; any income disclosed in the accounts relates to rechargeable expenses as a result of the shared occupancy of the building 2014-15: £157,449 (2013-14: £139,387).

NIJAC's one overall objective is to '*Select the best applicants and promote diversity*'; all expense generating activities are interlinked and cannot operate in isolation, therefore the Chief Executive Officer in her role as Accounting Officer and Chief Operating Decision Maker (CODM) does not consider there to be separate segments within the organisation.

Financial information is reported to the CODM, Plenary, the Business Committee, the Audit and Risk Management Committee and OFMDFM, for the organisation as a whole, no part of the organisation is reported on separately. The budget is bid for, allocated and managed for NIJAC as a whole; there are no budget allocations to a specific area as a separate segment.

3. Income

	Year ended 31/03/15 £	Year ended 31/03/14 £
Reimbursement of costs	157,302	139,387
Total Income	157,302	139,387

4. Staff numbers and related costs

Staff costs comprise:

	Permanently employed staff £	Inward seconded staff * £	Agency staff £	Commission members £	Year ended 31/03/15 Total £	Year ended 31/03/14 Total £
Direct Staff						
Wages and salaries	130,802	344,497	11,813	52,567	539,679	595,868
Social security costs	11,375	22,087	-	3,348	36,810	40,119
Other pension costs	29,373	53,270	-	-	82,643	96,450
Total costs	171,550	419,854	11,813	55,915	659,132	732,437

* Inward seconded staff wages and salaries cost includes £69,992 (2013-14: £70,094) relating to VAT.

The Northern Ireland Civil Service pension arrangements are unfunded multi-employer defined benefit schemes but NIJAC is unable to identify its share of the underlying assets and liabilities. The most up to date actuarial valuation was carried out as at 31 March 2012. This valuation is then reviewed by the Scheme Actuary and updated to reflect current conditions and rolled forward to the reporting date of the DFP Superannuation and Other Allowances Resource Accounts as at 31 March 2015.

For 2014-15, employers' contributions of £29,373 were payable to the NICS pension arrangements (2013-14: £42,389) at one of four rates in the range 18% to 25% of pensionable pay, based on salary bands. The scheme's Actuary reviews employer contributions every four years following a full scheme valuation. A new scheme funding valuation based on data as at 31 March 2012 was completed by the Actuary during 2014-15. This valuation was used to determine employer contribution rates for the introduction of a new career average earning scheme from April 2015. From 2015-16, the rates will range from 20.8% to 26.3%. The contribution rates are set to meet the cost of the benefits accruing during 2014-15 to be paid when the member retires, and not the benefits paid during this period to existing pensioners.

Employees can opt to open a partnership pension account, a stakeholder pension with an employer contribution. No Employers' contributions were paid to one or more of the three appointed stakeholder pension providers in 2014-15 (2013-14: Nil). Employer contributions are age-related and range from 3% to 12.5% (2013-14: 3% to 12.5%) of pensionable pay. Employers also match employee contributions up to 3% of pensionable pay. In addition, employer contributions of 0.8% (2013-14: 0.8%) of pensionable pay, are 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; no contributions were made in 2014-15 (2013-14: Nil).

Contributions due to the **partnership** pension providers at the reporting period date were Nil. Contributions prepaid at that date were Nil.

No persons (2013-14: 0 persons) retired early on ill-health grounds; the total additional accrued pension liabilities in the year amounted to Nil (2013-14: Nil).

Average number of persons employed

The average number of whole-time equivalent persons employed (including senior management, but excluding Commission members) during the period was as follows:

Number	Year ended 31/03/15			Year ended 31/03/14
	Permanent staff	Seconded staff	Agency staff	Total
Chief Executive	-	1.0	-	1.0
Corporate Planning, Resources and Governance Team	-	2.8	-	2.8
Appointments and Policy Team	1.7	3.2	0.4	5.3
Diversity and Communications Team	1.0	1.5	-	2.5
Total	2.7	8.5	0.4	11.6
				13.7

Reporting of Civil Service and other compensation schemes – exit packages

There are no Civil Service and other compensation schemes exit packages to report in 2014-15 (2013-14: Nil).

5. Other Expenditure

	Year ended 31/03/15	Year ended 31/03/14
	£	£
Other operating costs		
Accommodation costs	234,569	232,945
Security costs	61,288	69,950
Scheme advertising	45,942	44,402
Managed services	34,577	18,086
Other scheme costs	32,016	44,811
Heat and light	29,755	33,179
Maintenance	29,587	55,463
IT services	27,029	32,489
Other costs	19,126	27,977
Auditors' remuneration	10,700	10,737
Other services	7,409	7,404
Printing, design and stationery	5,588	20,230
Staff training	3,834	24,271
Consultancy services	2,326	2,326
Total	543,746	624,270

Non-cash items

Amortisation	872	7,189
Depreciation	2,526	5,565
Total	3,398	12,754

6. Property, plant and equipment

	Plant and Equipment £	Furniture and Fittings £	Information Technology £	Total £
Cost or valuation				
At 1 April 2014	10,784	3,768	17,716	32,268
Additions	-	1,232	-	1,232
Disposals	-	-	-	-
At 31 March 2015	10,784	5,000	17,716	33,500
Depreciation				
At 1 April 2014	6,626	2,572	17,716	26,914
Charged in year	2,046	480	-	2,526
Disposals	-	-	-	-
At 31 March 2015	8,672	3,052	17,716	29,440
Carrying amount at 31 March 2015	2,112	1,948	-	4,060
Carrying amount at 31 March 2014	4,158	1,196	-	5,354
Asset financing:				
Owned	2,112	1,948	-	4,060
Finance Leased	-	-	-	-
Carrying amount at 31 March 2015	2,112	1,948	-	4,060

	Plant and Equipment £	Furniture and Fittings £	Information Technology £	Total £
Cost or valuation				
At 1 April 2013	10,784	3,768	17,716	32,268
Additions	-	-	-	-
Disposals	-	-	-	-
At 31 March 2014	10,784	3,768	17,716	32,268
Depreciation				
At 1 April 2013	4,578	2,195	14,576	21,349
Charged in year	2,048	377	3,140	5,565
Disposals	-	-	-	-
At 31 March 2014	6,626	2,572	17,716	26,914
Carrying amount at 31 March 2014	4,158	1,196	-	5,354
Carrying amount at 31 March 2013	6,206	1,573	3,140	10,919
Asset financing:				
Owned	4,158	1,196	-	5,354
Finance Leased	-	-	-	-
Carrying amount at 31 March 2014	4,158	1,196	-	5,354

7. Intangible assets

Intangible assets comprise of software and associated implementation costs.

	Total £
Cost or valuation	
At 1 April 2014	31,568
Additions	1,884
Disposals	-
Revaluations	15
At 31 March 2015	<u>33,467</u>
Amortisation	
At 1 April 2014	30,707
Charged in year	872
Disposals	-
Revaluations	7
At 31 March 2015	<u>31,586</u>
Carrying amount at 31 March 2015	<u>1,881</u>
Carrying amount at 31 March 2014	<u>861</u>
Asset financing:	
Owned	1,881
Finance Leased	-
Carrying amount at 31 March 2015	<u>1,881</u>
	Total £
Cost or valuation	
At 1 April 2013	33,127
Additions	234
Disposals	-
Revaluations	(1,793)
At 31 March 2014	<u>31,568</u>
Amortisation	
At 1 April 2013	24,699
Charged in year	7,189
Disposals	-
Revaluations	(1,181)
At 31 March 2014	<u>30,707</u>
Carrying amount at 31 March 2014	<u>861</u>
Carrying amount at 31 March 2013	<u>8,428</u>
Asset financing:	
Owned	861
Finance Leased	-
Carrying amount at 31 March 2014	<u>861</u>

8 Impairments

There has been no write-off of impaired property, plant and equipment during 2014–15.

All downward movements in the revaluation of Intangible Assets, as a result of market fluctuations, are accounted for through the revaluation reserve to the extent that there is a credit in that reserve that relates to the assets.

9 Trade receivables and other current assets

9(a) Analysis by type

	31/03/15	31/03/14
	£	£
Amounts falling due within one year:		
Trade receivables	-	2,215
Other receivables	540	368
Prepayments and accrued income	64,873	26,960
Total	65,413	29,543

There are no trade receivables or other current asset amounts falling due after more than one year.

9(b) Intra-Government Receivable Balances

	Amounts falling due within one year	
	31/03/15	31/03/14
	£	£
Balances with other central government bodies	8,983	9,001
Balances with local authorities	-	-
Balances with NHS Bodies	-	-
Balances with public corporations and trading funds	-	-
Sub-total: intra-government balances	8,983	9,001
Balances with bodies external to government	56,430	20,542
Total receivables at 31 March	65,413	29,543

10. Cash and cash equivalents

	31/03/15	31/03/14
	£	£
Balance at 1 April	48,217	24,430
Net change in cash and cash equivalent balances	<u>(46,471)</u>	<u>23,787</u>
Balance at 31 March	<u>1,746</u>	<u>48,217</u>

The following balances at 31 March were held at:

Commercial banks and cash in hand	<u>1,746</u>	<u>48,217</u>
Balance at 31 March	<u>1,746</u>	<u>48,217</u>

11. Trade payables and other current liabilities

11(a) Analysis by type

	31/03/15	31/03/14
	£	£
Amounts falling due within one year:		
Trade payables	52,981	18,867
Accruals and deferred income	108,694	127,708
Total	<u>161,675</u>	<u>146,575</u>

There are no trade payables or other current liabilities falling due after more than one year.

11(b) Intra-Government Payable Balances

	Amounts falling due within one year	
	31/03/15	31/03/14
	£	£
Balances with other central government bodies	90,138	113,259
Balances with local authorities	61	3,494
Balances with NHS Bodies	-	-
Balances with public corporations and trading funds	-	-
Sub-total: intra-government balances	<u>90,199</u>	<u>116,753</u>
Balances with bodies external to government	71,476	29,822
Total payables at 31 March	<u>161,675</u>	<u>146,575</u>

12. Provisions for liabilities and charges

There are no provisions for liabilities and charges during 2014-15.

13. Capital commitments

There are no contracted capital commitments at 31 March 2015 for which no provision has been made.

14. Commitments under leases

14 (a) Operating leases

NIJAC make use of premises and equipment where the operating lease is held by the Office of the First Minister and Deputy First Minister (OFMDFM). NIJAC are invoiced directly by the lessor for the lease of the premises and equipment held by OFMDFM; NIJAC does not have any future commitments in respect of these leases.

The lease of Headline Building was signed on 14 December 2012 for a further 15 years by the Department of Finance and Personnel (DFP) on behalf of OFMDFM; the lease was back-dated to 7 January 2012.

NIJAC holds no operating leases in its own name.

14 (b) Finance leases

NIJAC had no finance leases operating during the year.

15. Other financial commitments

There are no contracted non-capital commitments at 31 March 2015 for which no provision has been made.

16. Financial instruments

IFRS 7 *Financial Instruments: Disclosures* requires NIJAC to provide disclosure that enables evaluation of the significance of financial instruments for NIJAC's financial position and performance, and the nature and extent of risks arising from financial instruments to which NIJAC is exposed during the period and at the reporting date, and how NIJAC manages those risks. Due to the largely non-trading nature of NIJAC's activities and the way in which executive non-departmental bodies are financed, NIJAC is not exposed to the degree of financial risk faced by business entities. Moreover, financial instruments play a much more limited role in creating or changing risk than would be typical of the listed companies to which IFRS 7 mainly applies.

NIJAC has no powers to borrow or invest surplus funds and except for relatively insignificant purchases of foreign currency, financial assets and liabilities are generated by day-to-day operational activities and are not held to change the risks facing NIJAC in undertaking its activities.

Classification of financial instruments

NIJAC's financial assets are classified as trade receivables and other current assets (Note 9) and cash and cash equivalents (Note 10). NIJAC's financial liabilities are trade payables and other current liabilities (Note 11). The carrying value of these financial assets and liabilities, as disclosed in the notes to the accounts, approximates to fair value because of their short maturities. All financial instruments held by NIJAC are non-interest bearing.

Risk Management

Financial risks include credit risk, liquidity risk and market risks (interest rate and currency).

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. NIJAC is not exposed to significant credit risk and manages its exposure through its procurement policy. The maximum exposure to credit risk is represented by the carrying amounts of the trade receivables and other current assets carried in the Statement of Financial Position.

Liquidity risk

NIJAC was financed by grant in aid from OFMDFM. NIJAC is not, therefore, exposed to significant liquidity risks.

Currency Risk

Currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

NIJAC drew down grant in aid from OFMDFM in sterling. The majority of payments made and received by NIJAC are in sterling. Foreign currency income and expenditure is negligible. NIJAC is not therefore exposed to currency risk.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. All of NIJAC's financial assets and liabilities are non-interest bearing. NIJAC is therefore not exposed to any interest rate risk.

Fair values

Fair value is not significantly different from book value since, in the calculation of book value, the expected cash flows would have been discounted by the HM Treasury discount rate of 2.20 per cent in real terms if found to be material. No balances have been discounted for 2014-15.

17. Contingent liabilities

As at 31 March 2015, NIJAC did not have any contingent liabilities, which require to be disclosed under IAS 37 *Provisions, Contingent Liabilities and Contingent Assets*.

18. Losses and special payments

18 (a) Losses Statement

	31/03/15		31/03/14	
	Number	£	Number	£
Total Losses under £250,000	3	31	10	325
Total Losses over £250,000	-	-	-	-

18 (b) Special Payments

There were no special payments made during the year.

19. Related-party transactions

NIJAC is a non-departmental public body sponsored by OFMDFM; NIJAC have had material transactions in the form of Grant in Aid with OFMDFM.

NIJAC have had material transactions in the form of recharges for the sharing of Headline Building with the Commission for Victims and Survivors Northern Ireland (CVSNI), the recharges are for rent, rates, and other premises costs.

NIJAC second staff from the Northern Ireland Courts and Tribunals Service (NICTS), the Department for Social Development (DSD), the Department for Employment and Learning (DEL), the Department for Finance and Personnel (DFP), the Department of Health, Social Services and Public Safety (DHSSPS) and the Belfast City Council (BCC).

OFMDFM, CVSNI, NICTS, DSD, DEL, DFP, DHSSPS and BCC are regarded as related parties.

None of the Commission members, members of key management staff or other related parties have undertaken any material transactions with NIJAC during the year.

20. Third-party assets

NIJAC do not hold any third-party assets.

21. Prior year adjustments

There are no prior year adjustments in the year ended 31 March 2015.

22. Events after the Reporting Period

There were no material events post Statement of Financial Position for the year ended 31 March 2015.

Date of authorisation for issue

The Accounting Officer, Mrs Mandy Kilpatrick, authorised the issue of these financial statements on 16 September 2015.

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