

The **Charity**
Commission
for Northern Ireland



Annual report and accounts 2023-24

**The Charity Commission for Northern Ireland
annual report and accounts
for the year ended 31 March 2024**

*Laid before the Northern Ireland Assembly
under the Charities Act (Northern Ireland) 2008
by the Department for Communities
on 11 July 2024*

The Charity Commission for Northern Ireland is the independent regulator of charities in Northern Ireland, a non-departmental public body sponsored by the Department for Communities.

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Performance Report

The performance report aims to provide the reader with an outline of the Commission's vision, objectives, purpose and activities during 2023-24. It encompasses a summary of performance against key indicators, an overview of challenges and key risks faced in delivering its objectives and strategies, and likely developments in the coming year.

1. Overview

Statement from the Chief Commissioner and Chief Executive



As Chair and Chief Executive of the Charity Commission for Northern Ireland, we are delighted to share this 2023-24 annual report and accounts, detailing the successes and challenges of the past year.

One of our key questions during the year has been how we, as the charity regulator, can work to become more enabling, responsive and collaborative, in line with the recommendations of the Independent Review of Charity Regulation and our vision statement: "*Well run and trusted charities making a difference in peoples' lives*". Our staff and Commissioners have worked hard to develop initiatives and implement improved ways of working as well as to produce new and refreshed guidance that will enable charities to do things right.

For example, in a major change, this year we launched the new traffic light display on the *register of charities*. The public can now see, at a glance, if a charity has submitted their accounts and reports to the Commission on time or late, and by how many days they were overdue or if not submitted at all. This change supports charities, enabling them to

better demonstrate that they are open, transparent and accountable. They are telling their supporters, and the world: "We are meeting our legal annual reporting duty, and here is what we have achieved."

In a step closer to an open charity registration process, the "combined list" was also phased out during the year. This list includes all organisations the Commission is aware of, which may be charities but have not yet been registered. The combined list was an integral part of managing registration since registration commenced in 2013. The phasing out of this list, and the publication of an "Applications in progress list", is an indication of our progress in having registered over 7,700 charities as well as our plans for the future. In another change, applicants for registration no longer have a deadline by which to submit their online application. This impacted organisations asked by the Commission to submit a registration application from October 2023 onwards, enabling them to start their application when they were ready to do so.

We were very proud this year to, once again, host our annual public meeting, offering an opportunity to meet Commissioners and staff, as well as find out more about our work and future plans. Given the growing prevalence of online crime, this year's event focussed on cyber-security with speakers from the National Cyber Security Centre and Information Commissioner's Office (ICO) highlighting latest trends and offering advice on how to protect charities. Supporting the sector through our suite of existing guidance as well as with new, innovative ways of communicating remained a priority for us in 2023-24, as did our channels for engaging directly with the sector, such as our hard-working stakeholder forum.

This annual report provides an important overview of our development and work during 2023-24, which has been achieved against a very challenging budget. We hope you will enjoy reading it and finding out what we have done, and also what we plan to do next. We would also like to take this opportunity to say thank you for the dedication, hard work and diligence of our Board of Commissioners and staff, who often go above and beyond the expectations of their roles. It is they who make our achievements possible.

Finally, we would like to recognise the work of the thousands of Northern Ireland's charities, striving in often very challenging circumstances to make a difference in our society. We understand that regulation can, at times, seem like an additional burden for an already overworked sector.

However, we hope, as we move into 2024-25, that we, as the charity regulator, have the right processes in place to support, guide and enable charities to achieve their best potential.



Gerry McCurdy
Chief Commissioner



Frances McCandless
Chief Executive

Statement of the Commission's vision, purpose and objectives

The Charity Commission for Northern Ireland ("the Commission") is the independent regulator of Northern Ireland charities, as created by the Charities Act (Northern Ireland) 2008 ("the Charities Act").

The Commission is a non-departmental public body (NDPB) and is sponsored by the Department for Communities (DfC). The working relationship between the sponsor department and the Commission is extremely important and the full implementation of the Charities Act requires close co-operation between both parties. The Commission does, however, exist as an independent regulatory body, working to further its aims and objectives.

Our vision

Well run and trusted charities making a difference in peoples' lives.

Our purpose

Enabling charities to do things right through proportionate regulation, best practice and advice.

Our objectives

The objectives of the Commission are set out in the Charities Act.

- **Public confidence** - To increase public trust and confidence in charities.
- **Public benefit** - To promote awareness of the need to demonstrate public benefit.
- **Accountability** - To enhance accountability to donors, beneficiaries and the public.
- **Charitable resources** - To promote the effective use of charitable resources.
- **Compliance** - To ensure proper management and administration of charities.

Our activities

The Charities Act introduced a regulatory framework for the charitable sector in Northern Ireland. The previous framework, dating back to the 1960s, was “light touch” in nature, with only limited provisions for enforcement and no form of charity registration. The main objective of the Charities Act was to introduce an integrated system of registration and regulation as well as support for, and supervision of, registered charities.

The Commission works to provide and implement the structures and processes through which charities can demonstrate their contribution to society and the public can be assured that charitable resources are being properly applied.

During the year under review our strategic aims were:

- Aims 1: Progressing charity registration to enhance accountability.
- Aims 2: Progressing our development as an enabling regulator.
- Aims 3: Continuing to develop proportionate regulation.
- Aims 4: Operating as an effective and efficient public body.

To achieve these, the Commission’s activities during 2023-24 included the following:

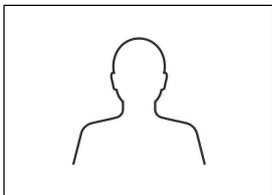
- The ongoing maintenance and population of an accurate and up-to-date public *register of charities*.
- Identifying and investigating apparent misconduct or mismanagement in the administration of charities and taking remedial or protective action in connection with any misconduct or mismanagement.
- Implementing an annual reporting programme for all registered charities, making accounts available to the public.
- Supporting charities in implementing the proper governance procedures and policies and, where appropriate, providing legal consents for trustees to make changes to their charity.
- Publishing guidance on a wide range of matters relating to charity trustees’ duties.

The Board and Senior Management Team

The Board



Chief Charity Commissioner, Gerard McCurdy (from 1 September 2023) and Interim Chair (from 21 December 2022)



The Deputy Chief Charity Commissioner post was vacant from 1 September 2023 until 1 June 2024



Charity Commissioner, Kieran Donaghy



Charity Commissioner, Alan Hunter



Legal Commissioner, Patricia Kelly



Charity Commissioner, Séamus Magee (to 31 August 2023)



Charity Commissioner, Terence McGonigal (from 1 September 2023)



Charity Commissioner, Hugh McKeag

On 31 August 2023, Séamus Magee stepped down as a Charity Commissioner. The Commission would like to thank Mr Magee for his hard work, support and commitment during his time with the Commission and wish him every success in his future endeavours.

The register of interests for the Board and senior management team is available on the Commission's website at:

www.charitycommissionni.org.uk/about-us/about-the-charity-commission/our-governance/register-of-interests/.

The Commission has a conflicts of interest policy which provides details on how to avoid conflicts of interest and how to act appropriately if a conflict of interest does develop when carrying out their duties and responsibilities. In accordance with the policy, registers of interest for staff and Commissioners are maintained, with declarations reviewed annually. Each Board and committee meeting includes a declaration for all attendees regarding conflicts of interest.

Senior Management Team



Chief Executive, Frances McCandless



Head of Charity Services, Punam McGookin

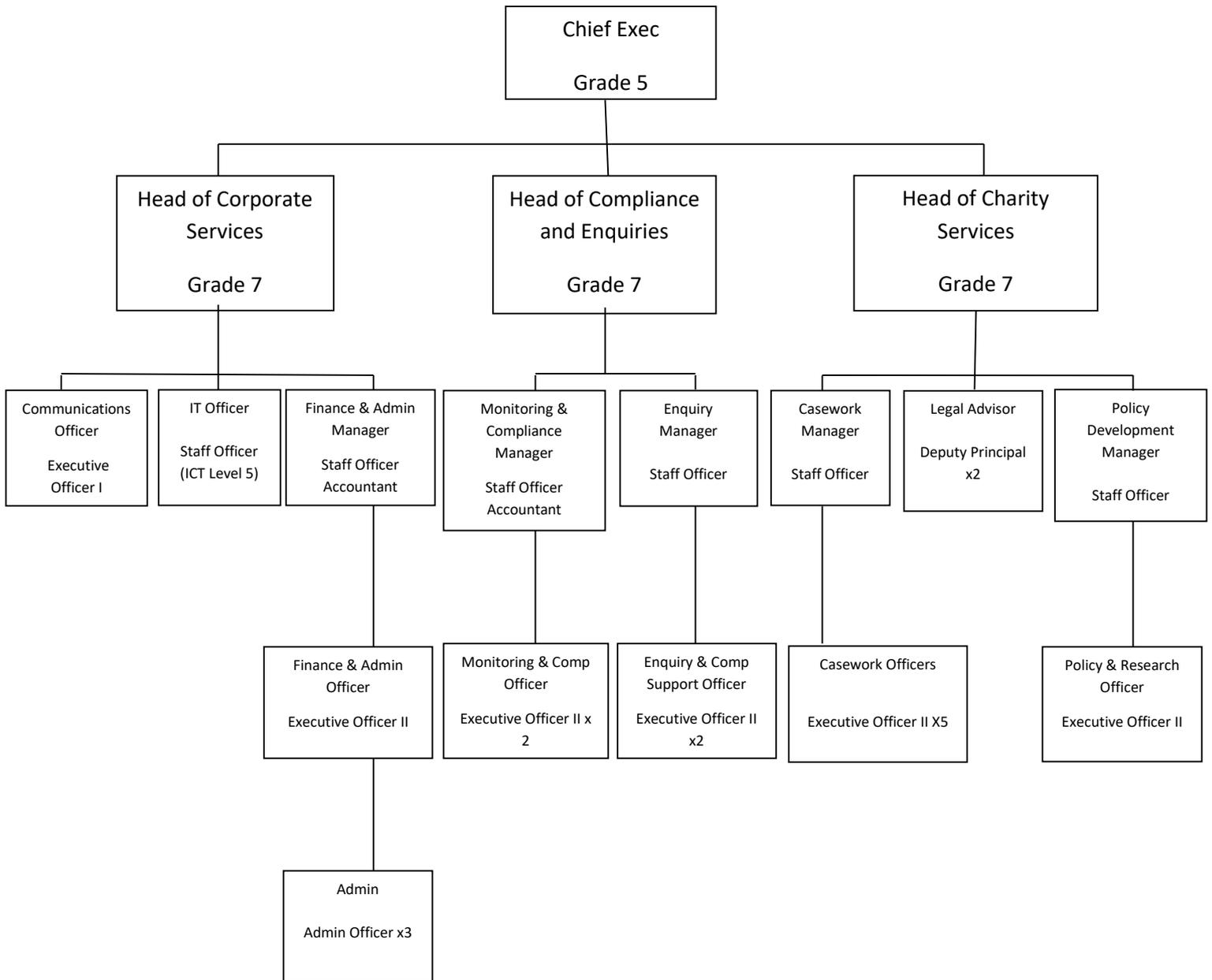


Head of Compliance & Enquiries, Rossa Keown



Head of Corporate Services, Aubrey McCrory

Organisation structure



Highlights from the year

- ✓ **Enhanced charity register display:** As an enabling regulator, the Commission began in May 2023 to alert the sector to the new traffic light display on the *register of charities* planned for roll out later in the year. This change, which went live in January 2024, highlighted changes in the public display if a charity was due to submit accounts and reports to the Commission.
- ✓ **Stakeholder forum engagement:** In May 2023, forum members shared feedback on the Commission's current website as part of the development of a new site. In September, the Commission acted on forum feedback on three core regulatory 'template' letters to create more user-friendly and clear correspondence. A "speed networking event" was held in November, where stakeholders could meet with staff from casework, enquiries, monitoring & compliance and legal teams to ask questions, learn more about their work and offer insights.
- ✓ **Financial crisis support:** To address the ongoing cost-of-living crisis affecting charities the summer saw the publication of a new blog by the regulator's Policy and Research Manager, Ann Breslin: *Dealing with financial difficulties, for charity trustees*.
- ✓ **Registration process changes:** In September 2023, the Commission announced the phasing out of the "combined list" as part of a major change to the registration process.
- ✓ **Reminder to charity trustees:** During September 2023, over 41,000 charity trustees received a letter from the Commission, reminding them of their legal duty to submit their charity's accounts and reports each year, starting with the first full financial year beginning on or after 1 April 2022.
- ✓ **User-friendly guidance:** October 2023, saw new user-friendly guidance published, including a handy guide, *Completing an application for charity registration*, with hints on using the online application system, character limits, uploading documents and filling in the application.

- ✓ **Open letter to trustees:** Chief Commissioner Gerard McCurdy penned an open letter to Northern Ireland's charity trustees during Trustees Week in November 2023, introducing himself to the sector.
- ✓ **Collaboration with Fundraising Regulator:** Commissioners and the Fundraising Regulator held a meeting during November 2023, to explore opportunities for collaboration in building public trust and confidence in charitable fundraising.
- ✓ **Joint open letter to banks:** During November 2023, in collaboration with charity regulators in Scotland and England and Wales, the Commission issued a joint open letter to banks urging them to do more to make banking easier for charities.
- ✓ **Charities SORP:** The Charities Statement of Recommended Practice (SORP) provides recommendations and requirements setting out how to prepare 'true and fair' accounts in accordance with UK accounting standards. The Commission, along with the other UK charity regulators, form the Charities SORP-making body. In 2023-24 the SORP-making body has been heavily involved in the drafting of the next Charities SORP.
- ✓ **Expansion of charity register data:** In December 2023, the Commission increased the number of downloadable pieces of information from the online *register of charities* from 16 to 38.
- ✓ **Update of tutorial videos:** In January 2024, a project commenced to update and revamp the Commission's popular registration and annual reporting tutorial videos, available at www.charitycommissionni.org.uk
- ✓ **Annual public meeting:** The Commission's annual public meeting, held in January 2024 with a cyber security theme, featured speakers from the National Cyber Security Centre and Information Commissioner's Office, along with an overview of the Commission's work.
- ✓ **Roundtable meeting with UK Finance:** In February 2024, the Commission along with the Office of the Scottish Charity Regulator and the Charity Commission for England and Wales held a roundtable meeting with UK Finance to discuss ongoing banking issues being faced by charities.

- ✓ **Website redevelopment:** Work continued during the year on improving the Commission's current website based on feedback from internal and external users, with procurement of a new website progressed and design work started by year end.
- ✓ **Expansion of prospective trustee list:** In March, the Commission announced an expansion of the list of prospective trustees willing to provide assistance to charities on a short or long-term basis and invited interested parties to apply.

Key issues and risks

During 2023-24 the Audit & Risk Assurance Committee supported the Board and the Accounting Officer in their responsibilities regarding the identification and management of risks, control and governance, and associated assurances. The Accounting Officer in her 2023-24 Governance Statement details the Commission's risk and control framework along with the various risks managed and the committee's oversight role.

For further details of these risks and information on the Commission's risk and control framework, please see the *Corporate Governance report* section of this annual report.

Going Concern

The Charity Commission for Northern Ireland is an Executive Non-Departmental Public Body, sponsored by the Department for Communities (DfC), having been established by statute under the Charities Act (Northern Ireland) 2008. The Commission received its core resource and capital funding from the DfC during 2023-24, with an interim budget allocation letter received from DfC for 2024-25. While the financial environment is challenging, the Commission is of the opinion that the going concern basis of preparation of the Annual Report and Accounts is appropriate. The Commission is not aware of any events which would impact upon the entity's status as a going concern.

2. Performance Analysis

Performance summary

The purpose of this section is to provide the reader with a summary of performance made to progress the Commission's vision and objectives. At the end of 2023-24, 75% (six out of eight) key performance indicators (KPIs) were delivered. Both the number of registration decisions and annual monitoring returns subject to compliance checking targets were achieved. The staff absence target was not achieved due to long-term sickness. Of the 103 actions set out under the four 2023-24 business plan objectives, 89% (92) of the actions were completed. Just over a tenth (11) of actions were not completed at year end. This includes progress under strategic aim 1 on updating and revamping the *Registering your charity* guidance, as resources were not available to fully progress the second part of this action. This was to update a range of associated digital/online support materials. One action, related to developing *Annual Return Regulations 2023-24*, was not necessary as the Board decided not to produce the regulations as a need for change was not identified.

For further information on the Commission's performance during the year, including service indicators and actions progressed, see the *Detailed analysis* section of this annual report.

External KPIs

- 380 registration application decisions made (target: 330).
- 254 new applications for charitable status were received, with 71% of applications processed within six months of receiving an application (target: 60%). This rose to 95% processed within six months of receiving a 'complete' application.
- 75% of enquiry cases were processed to closure within 12 months of receiving a concern about a charity (target: 60%).
- 65% of concerns about charities had an initial enquiry risk assessment completed within 30 days (target: 50%)
- 158 annual returns legally required to report to the Commission reviewed (target: 150).

Internal KPIs

- 99% of creditors' invoices paid within 10 working days (target: 90%).
- Total budget managed within 98.6% (target: 99%).
- Staff absence levels managed within 4.39% (target: 3%).

Service-related indicators

Strategic Aim 1: Progressing charity registration to enhance accountability

- 466 expressions of intent received (an expression of intent form is received from an organisation to notify the Commission of its existence and that it should be contacted to apply for registration in due course).
- 448 letters issued to organisations to call them forward to apply for registration.
- 254 new applications for charitable status received.
- 141 charity registration refusals, which included a number of class refusals related to clearing the deemed list.

Strategic Aim 2: Progressing our development as an enabling regulator

- 273 casework applications/notifications received.
- 200 casework processes completed, including 32 statutory decisions made by Commissioners (remaining 168 were administrative functions carried out by staff).
- One decision review was completed.
- 317 views of the online registration workshop tutorial.
- The Commission's stakeholder forum met four times.
- 51 engagement events undertaken (target:55).
- Two helper groups events held.
- 440,908 hits on the Commission's website.
- 39,809 page views of the *register of charities* webpage.
- 23,585 page views of the *Annual reporting* webpage.
- 5,260 page views of the *Registration support* webpage.
- 3,608 page views of the *Running your charity guidance* web page.
- 1,916 page views of the *Concerns about charities guidance* web page.

- Eleven pieces of guidance published.
- Seven meetings with charity sector organisations to discuss a new project aimed at developing an online guide for charities, to assist them with banking matters.
- NI Direct answered 2,709 calls with Commission links sent out by email 457 times. There were 977 call back requests received.
- 7,019 calls and email enquiries dealt with by the Commission.
- Following a proportionality review, the Commission adopted a more enabling approach to charities who had issues identified with their annual returns.
- The Commission met with a range of sectoral representatives (Volunteer Now, NICVA, Supporting Communities, Omagh Forum for Rural Associations and Tony Clarke) to gather views on the updated filing status (traffic lights system). The regulator also issued the proposed changes by correspondence to a number of funders and professional bodies and received feedback from Halifax Foundation and the Ulster Society of Chartered Accountants Charity Group.
- The Head of Compliance and Enquiries highlighted the new display at three public events.

Strategic Aim 3: Continuing to develop proportionate regulation

- During the year, 699 charities that were registered after May 2019 were due to submit their accounts and reports under the annual reporting programme. Of this number, 457 filed by their ten-month deadline date.
- 242 charities that were registered after May 2019 failed to submit their accounts and reports on time.
- In total, 1,027 registered charities (including those registered before and those registered after May 2019) failed to submit their accounts and reports by the legal deadline. This equated to 34% of all the charities due to submit.
- 45% of initial compliance assessments were completed within 30 working days.
- 5% of annual returns from charities legally required to file their accounts and reports were subject to basic compliance checks.
- Two concerns were received about charity accounts.
- No section 23 or section 65 orders issued in relation to charities in default (section 23 orders are where a charity has been ordered to supply accounts and reports to the Commission, section 65 is an order to a charity to undertake an audit).

- No statutory inquiries needed to be opened for default cases (this refers to charities which have failed to submit accounts and reports, and are therefore in default of their annual reporting duty).
- One adverse qualification was presented (an adverse qualification is an opinion made by an auditor indicating that a company's financial statements are misrepresented, misstated or inaccurate).
- 61 enquiries were closed.
- 75% of enquiry cases concluded within 12 months of receipt of concern (target: 60%).
- No enquiry cases older than 12 months were processed to closure.
- No statutory inquiries were opened (a statutory inquiry is the highest level of investigation the Commission may open; only concerns that identify the most serious risks to a charity, its assets or beneficiaries will be dealt with through the opening of a statutory inquiry).
- Regulatory guidance letters were issued to 72 charities (164 charity trustees) which were more than six months overdue on their annual reporting deadline.
- Regulatory guidance letters on how to improve the annual return submission were issued in six cases for charities which had serious issues found during basic compliance checks.
- No directions were issued by the Commission (a direction is a legal document issued when the Commission requires a specific action to be undertaken, for example, to provide the Commission with particular information or documents, or to attend a meeting).
- Two orders issued (orders may be used in many circumstances, for example, to authorise trustees to do something that their trusts don't otherwise allow, or to do something which is in the interest of the charity. They can also be used to protect charities and their property).
- Two organisations notified the Commission they had closed prior to being registered.
- 146 charities notified the Commission they had closed since their registration.
- 158 concerns about charities opened.
- 61 concerns about charities progressed to conclusion.
- 120 recommendations were brought to Commissioners (via the Schedule 1 decision making committee) for enquiries cases.
- Regulatory guidance was issued in 4 enquiries cases, and self-regulatory guidance in 10 cases.

- The enquiries team continued to use the Concerns Risk Assessment Template (CRAT). Data from the CRAT feeds into the risk assessment framework (RAF) to ultimately help the enquiries team target its resources at the highest risk cases.
- No concerns were received from the public about public benefit, and no regulatory guidance was issued on improved public benefit reporting.
- No thematic reports were published.
- No statutory inquiry reports were published.

Strategic Aim 4: Operating as an effective and efficient public body

- The Commission received clean audit opinions from internal audit on 14 areas reviewed including compliance with the Commission's performance management strategy.
- Four reports were provided to the Board on internal compliance.
- 16 challenges¹ made via Charity Tribunal or court.
- No Tribunal decisions were appealed to the High Court on a point of law.
- Internal legal advice was provided on 145 occasions.
- Feedback was obtained from customer surveys on website development.
- At year end sponsor department are taking forward the results of the Commission's accommodation review.
- Feedback was received from critical friends as part of user testing on the new traffic light display and expanding the csv register download.
- Results of January 2024 staff survey were reported to the Board showing a 7% increase in staff engagement compared to 2022, and 11% compared to 2021.
- A new 2023-26 People Strategy and action plan was agreed by the Board.
- Spend on training was 1.25% of total payroll budget (target 1%).
- Project and programme teams continued to screen for equality and privacy issues.
- There were no complaints made under the equality scheme.
- All remaining actions from the 2020-23 ICT strategy were completed and a new 2023-26 strategy was agreed.

¹ 12 challenges related to one issue and were resolved.

Detailed analysis

Our vision is for well run and trusted charities making a difference in peoples' lives. Our purpose is enabling charities to do things right through proportionate regulation, best practice and advice.

We work to achieve this aim through:

- **Registration:** the building of a comprehensive and accurate *register of charities*, which provides the public with detailed information on the thousands of charities in Northern Ireland.
- **Annual reporting:** supporting charities in being open and accountable to the public by publishing their annual accounts and reports online.
- **Enquiries:** taking proportionate and robust action to set things right where mismanagement or misconduct has occurred within a charity, giving the public confidence that a strong and decisive regulator is in place.
- **Casework:** providing the legal consents required for charities to ensure charities can be managed effectively.
- **Engagement and guidance:** educating and raising awareness amongst the charity sector of legislation and best practice.

The analysis on the following pages provides a deeper insight into our progress in each of these areas.

Registration

The [register of charities](#) is a comprehensive and public list of the thousands of registered charities operating in Northern Ireland. The Commission is responsible for building and maintaining the register, ensuring it is updated with newly registered charities as well as mergers, closures and name changes.

As at 1 April 2024 there were 7,746 charities on the register; an open data source offering an array of potential uses, from academic research and the development of new applications through to funding checks,

media information or simply looking up a charity you support or wish to donate to.

There were 254 registration applications received by the Commission in the 2023-24 year, with 380 registration decisions made against a target of 330. Overall, 95.3% of applications were processed within six months of receiving a "complete application", that is, when all information required for a decision to be made is provided.

Some major updates were undertaken to the registration application process during the year, in keeping with the recommendations of the Independent Review of Charity Regulation. The combined list, a public list of all organisations the Commission was aware of, which may have been charities but had not been registered yet, was phased out (with the exception of section 167 charities, please see below). The list was first introduced by the regulator in 2013 as a checking tool for the public while the Commission managed the registration of the thousands of Northern Ireland charities. However, with over 7,700 charities now registered and work moving along to register the remaining charities, where eligible, the phasing out of the combined list marks a move towards a more open system of registration.

The phasing out of the combined list has also made way for updated processes in line with how the sector's needs have changed. Alternatively, the Commission now publishes a list of organisations whose applications are currently in progress and information on current wait times to be contacted for registration. In addition, the Commission continues to maintain a public list of "section 167s". Organisations which are established outside of Northern Ireland, but which operate for charitable purposes in or from Northern Ireland, are provided for by section 167 of the Charities Act (Northern Ireland) 2008. These organisations may be required to apply for registration with the Commission at some future time, although, they may be subject to different annual reporting obligations.

Alongside this, the Commission changed the application process so that applicants no longer have a deadline by which to submit their online registration application. Previously applicants had a 30-day window in which to submit their application from the date the Commission contacted them to apply. This has now changed as part of the move towards a more open registration system, with the removal of the deadline allowing the

Commission to focus on applicants who are keen to be registered and to build the register itself.

While these important changes have been implemented, some challenges have remained for the registration team. The Court of Appeal ruling of February 2020 in the case of *McKee & Others v Charity Commission for Northern Ireland* continues to have an impact on registration decisions, which must be made by Commissioners (known as a Schedule 1 decision-making committee). A permanent solution to this issue is being sought with the Department for Communities (DfC) having undertaken a public consultation on a prospective Scheme of Delegation for the Commission. The making of a scheme would allow some decision-making functions to be delegated to staff, as they are in other jurisdictions, increasing the regulator's capacity to make decisions. Preliminary consideration has been undertaken within the Commission to prepare for such a scheme, and its potential outcomes. In the interim, temporary procedures are in place to ensure registration decisions can be taken in compliance with the judgment. This means that registrations have continued, but the volume and speed of decisions has been temporarily reduced.

The Commission also participated in nine meetings of the Registration Threshold and Accounting Proportionality Working Group during the year. The group has considered issues, impacts and gathered information from a variety of sources to support the development of a public consultation on a registration threshold, with an information exercise having commenced in June 2024. Details of the Department's plans for other legislative changes were also outlined to the group, as part of scoping for a new Charities Bill.

Annual reporting

Once a charity is registered, the charity's trustees are required to report annually to the Commission on the charity's finances, resources and activities. This is known as "annual reporting", with the information (annual accounts, trustees' annual report and an independent examination or audit, as applicable) once submitted, displayed on the charity's register entry. Not only is reporting annually to the Commission a legal requirement, but it also provides charities with an important means of demonstrating their activities and work to the public. As with charity registration, the February 2020 Court of Appeal judgment, had an impact, resulting in no legal requirement for charities registered

prior to the end of May 2019 to file annual reporting information with the Commission. This changed with the Charities Act (Northern Ireland) 2022 and it is now mandatory for all registered charities to submit their accounts and reports each year. This resulted in a significant change for some 1,983 charities, which had been registered prior to May 2019. For the first time in a number of years, they were legally due to file their accounts and reports with the Commission by 31 January 2024. There was also a further 279 charities, registered after May 2019, which had the end of January deadline – a busy period for the Commission’s monitoring and compliance team.

The Commission undertook a range of communications during the year, including direct letters and emails, to ensure charities were aware of their annual reporting responsibilities. A suite of guidance is also available on the Commission’s website to support compliance. This includes a practical 10-minute guide on how to complete the annual monitoring return and an online video tutorial giving an overview of the return itself.

In 2023-2024, there were 3,037 charities due to submit their annual reports and accounts to the Commission, including 2,338 charities that were mandatorily reporting for the first time following commencement of *the Charities Act (Northern Ireland) 2022*. Overall, 2,422 (80%) of charities complied with their annual reporting requirement, with 66% of charities doing so by their 10 month deadline date. At year-end, 637 charities had failed to submit their reports and accounts with 45 of these falling into the over six months overdue category.

Spotlight: New traffic light display on the register of charities

In January 2024, a new traffic light display went live on the *register of charities*, highlighting in “green” charities which have submitted their annual reports and accounts to the Commission on time (those overdue 14 days or less are marked as “amber”, or “red” for more than 14 days).

The new display aims to support the public, including funders, in undertaking checks on charities, increasing the transparency of individual charities and the sector.

“The register is the only place you are able to find information on all registered charities, together and available at just the click of a button,” explained Rossa Keown, Head of Compliance and Enquiries.

"All you have to do is go to the register, search for a charity and you can see important facts and documents such as the charity's accounts and annual reports for the years the charity had a duty to file for.

"With all that data available, the public have the tools they need to make the right charity decisions for themselves, like what charity to support or donate to, or even to join as a volunteer or service user," continued Rossa.

"The new traffic light system will enhance that, letting you see if a charity submitted their accounts on time, maybe they were a few days late or perhaps months overdue and it's time to start asking why," he said.

Behind the scenes, the new display involved an intense period of development, testing and implementation in readiness for the system to seamlessly go live onto the *register of charities*. In addition, a communication campaign commenced prior to the launch date, to ensure charities were aware of the update. Particular attention was paid to direct communications with charities which had a deadline close to the "go live" date, so they were aware of the consequences of missing their submission date.

Enquiries

Under the enquiries remit, the regulator investigates concerns about charities, assesses serious incident reports (SIRs) and reviews the reporting of matters of material significance (MOMs).

Concerns about charities range from minor issues where self-regulatory guidance can provide the right support, through to the most serious of cases which require the opening of a statutory inquiry by Commissioners. MOMs are issues which independent examiners and auditors must report to the Commission should they encounter them while reviewing the accounts of a charity. The Commission regards a serious incident as an adverse event, whether actual or alleged, which results in, or risks, a significant loss of charity money or assets, damage to charity property and/or harm to the work of the charity, its beneficiaries or reputation.

The Commission takes a risk-based and proportionate approach to investigatory work. This means targeting our help and resources at the highest risks to charities' beneficiaries, services and assets and where we think our intervention will have the greatest impact.

During 2023-24, the enquiries team received a total of 262 cases, which can be broken down into:

- Concerns received: 158 (61 cases were concluded during the year)
- SIRs received: 89 (32 closed)
- MOMs received: 15 (2 closed).

Towards the end of the previous financial year (March 2023), a new and intuitive smart form for anyone who wishes to submit a complaint about a charity to the Commission was made available on charitycommissionni.org.uk.

The new, logic-based form works to support individuals and organisations in providing the right information to the regulator, when they have a concern about a charity - guiding them to specific sections for their particular concern and being clear on what information they need to provide. It also helps the Commission to gather all the information from the outset as well as using the data in a "smarter" way, to identify wider patterns and trends, which the Commission can then focus in on with guidance and advice. The form has proven, over 2023-24, to be beneficial in aiding the Commission's understanding of serious incidents which occur within charities, and in measuring the risks when receiving matters of material significance.

Casework

The Commission's casework team processes applications whereby charity trustees require approval from the Commission to make a change or undertake an action or transaction. These legal processes support the charity in ensuring it is well managed, is aware of and complies with the requirements of the law and is keeping its procedures and policies up to date. However, as with registration, the method of making casework decisions has been affected by the court judgment referred to above, with an interim process introduced to ensure work can continue in line with the law.

During the 2023-24 year, 273 casework applications/notifications were received with 200 casework processes completed by year end. This included 32 statutory decisions taken by a committee of Commissioners and 168 being administrative functions completed by staff.

Engaging and enabling: a key focus

An important area of work for the Commission this year, has been to continue developing as an enabling, engaging and supportive regulator of charities. To achieve this, the Commission has implemented new initiatives and ways of working focussed on guiding and enabling charity trustees to comply with the law and, as our purpose highlights, to do things right through proportionate regulation, best practice and advice.

The Commission's *Engagement Strategy for 2023-2026*, which was published on charitycommissionni.org.uk in August 2023, sets out how the Commission will actively engage with the charity sector and the public. It was developed in response to the recommendations of the [Independent Review of Charity Regulation](#) and in line with feedback from a public consultation on a draft strategy.

During the 2023-24 year, the Commission participated in 51 engagement events, including hosting its annual public meeting on 31 January 2024. As well as offering an opportunity to catch up on the work and plans of the charity regulator, the public meeting had a cyber-crime theme. With online crime regularly hitting the headlines, the theme was chosen as one which is of particular interest to the sector as they look for advice on how best to protect their charities and keep updated on the latest trends, issues and legislation. Some of the feedback from those who attended included the following quotes.

- Good speakers and very topical.
- All presentations were very good and relevant.
- The information on cyber security was very useful.
- Feel informed about changes and plans re Commission and key issues around data protection and cyber security.
- I feel that the information and insights were very useful and relevant and shared in an easily understandable way.

The Commission also collaborated with the other UK charity regulators and representatives from the sector, such as NICVA, and UK Finance (the professional body for the banking sector) to highlight the issues some charities have experienced when it comes to banking. This project has focused on the development of an online guide for charities to assist in understanding banking processes and selecting suitable banking products and services. The project has included meetings with UK Finance (six

meetings), charity sector organisations (seven meetings to discuss their experience and responses to the project as it evolved), HM Treasury and the Financial Conduct Authority (FCA). Further meetings on the banking issue were also held with the UK charity regulators, the Charity Finance Group, the FCA and HM Treasury in February 2024. In addition, in November 2023, the Commission alongside OSCR (Office of the Scottish Charity Regulator) and CCEW (Charity Commission for England and Wales) issued an open letter to the banking sector, making it clear there is more that banks could be doing to assist charities.

The 25-member stakeholder forum, which aims to support and improve two-way communications between the charity regulator and the sector, met four times during the year, providing feedback to the Commission regarding changes to the tone of communications, the design of a new website and developments in charity regulation. A new stakeholder forum webpage was also added to charitycommissionni.org.uk, where notes of meetings are published. An added source of independent assistance for charities is the network of 23 helper groups, to whom the Commission is extremely grateful and which liaise closely with the Commission to offer support to organisations preparing for registration or submitting an annual return. Commissioners and staff also took part in a number of on-site charity visits, to get a feel for the good work being undertaken by Northern Ireland's charities as well as the challenges they are currently facing. There were visits to the charities, Mourne Mountain Rescue Team, Compass Advocacy Network and the Speedwell Trust.

The Commission dealt with 7,019 calls and email enquiries during the year. In addition to general queries, responses were also made to 44 information requests (made under access to information legislation such as the Freedom of Information Act 2000). Of that number, information was disclosed fully or partially in 28 cases.

Work continued in 2023-24 on a new and improved Commission website, with the contract for the development of the site awarded before year end, and work commencing on initial design work. Central to this was gathering users' experience of the current site, with feedback sought from staff as well as charities, support groups and professionals, looking at how they navigate the site as well as what they like or dislike, or would want to see added. A website survey, undertaken during the year, indicated that 60% of the respondents had a positive or neutral experience of the current site and 40% had a negative experience. This type of engagement

is an important part of the website development, ensuring the new site is able to meet the needs of those who use the Commission's website, whether that be researching a specific charity or looking for advice and guidance.

During the year the Commission's current website had 440,908 website hits. The Commission's X (formerly Twitter) feed ended the year with 4,374 followers while the Commission's LinkedIn page had 736 followers. The Commission's top five webpages (excluding the *register of charities*) were: *Online portals*, *Update your charity's details*, *Annual reporting*, *Manage your charity* and *About us*.

In December 2023, the Commission expanded the number of pieces of information that can be downloaded from the *register of charities* from 16 to 38. This means anyone can download a spreadsheet of details about all the charities on the register or a selection of charities based on, for example, income, charitable purpose or area of operation. There is also information about numbers of staff employed and numbers of volunteers.

The Commission has an online library of information for charities, offering advice and guidance on trustees' legal duties. Overall, there have been 72 pieces of guidance published on the Commission's website, with the regulator focussed on producing guidance which is accessible, easy to read and easy to understand, supporting charities in complying with their legal responsibilities and best practice. Integral to engaging and enabling the sector, a number of new or updated pieces of guidance were developed. For example, in October 2023, the Commission published *When does my charity have to submit its annual reports?* This short piece of guidance aims to help charity trustees understand the impact of the *Charities Act (Northern Ireland) 2022* on annual reporting deadlines. The same month saw a *Five steps to charity registration* infographic published, alongside a new, handy guide, *Completing an application for charity registration*. This document includes hints on using the system, character limits, uploading documents and filling in the application. *Charity registration at a glance - a guide for smaller organisations* was also published, as was a shortened version of the essential *Registering as a charity* guidance.

A number of blogs and short videos also went live, covering the following topics:

- Blog: Dealing with financial difficulties, for charity trustees

- CyberNI Week 2024: advice and tips on best way to protect your charity
- Guest blog: Fundraising Regulator meeting with the Board of the Commission
- Blog: New, intuitive concerns about charity form now live

In addition, work commenced during the 2023-24 year on new, updated online video tutorials for the registration application and the annual reporting form. The updated videos, which will replace previous versions, will guide users through the online forms, letting them know what to expect – and what to have ready – before they begin.

Independent Counsel review

In February 2021, the Charity Commission for Northern Ireland appointed an independent Counsel to conduct a review of complaints arising from the Commission's regulation of the charities, Lough Neagh Rescue Ltd and Disabled Police Officers' Association of Northern Ireland (DPOANI). The review was intended to establish whether there were lessons which could be learned from the handling of the cases, which had not yet been learned.

To provide an overview of the review and its recommendations, a summary of Counsel's final report is published on the Commission's website at www.charitycommissionni.org.uk/news/summary-report-published-following-independent-counsel-review

The Commission subsequently embarked on an action plan to address the eighteen recommendations made, which highlights the actions to be taken and an indicative timescale for completion. The action plan, as updated in April 2024, is published on the Commission's website at www.charitycommissionni.org.uk/news/summary-report-published-following-independent-counsel-review. In total, the plan identifies 39 actions of which 28 were completed and 11 were ongoing at year end.

Independent Review of Charity Regulation

The Minister for Communities commissioned an Independent Review of Charity Regulation in Northern Ireland, which commenced in January 2021.

The Review considered the Charities Act (Northern Ireland) 2008 and the roles of the Commission and its sponsor body, the Department for Communities (DfC). In particular, the review looked at whether the Commission's performance within the existing legal framework struck the right balance, in light of best practice, between supporting charities to do the right thing with advice and guidance and deterring, or dealing with, misconduct, and mismanagement through enforcement activities.

In January 2022, the Independent Review Panel report was published, listing 93 recommendations to improve the delivery of services and the operation of the regulatory framework going forward. The Commission welcomed the report and, alongside the Department for Communities, has continued work to implement priority recommendations within the resources allocated.

The Commission's 2023-24 business plan included 37 actions related to progressing 32 priority Independent Review recommendations. While the overwhelming majority of planned actions directly concerned the Commission's work and delivering its regulatory remit, five involved supporting DfC's legislative, policy and governance remit. In total, planned progress was completed on 26 of the actions directly related to Commission activities (related to 21 recommendations) and all related to supporting the Commission's sponsor department, DfC.

At year end, planned progress on the following recommendations (Rec) was ongoing and will be rolled into the 2024-25 business plan:

- Rec 5: The Commission should prioritise completion of the new Risk Assessment Framework and the supporting IT and the Department should provide additional resources should they be required, to assist.
- Rec 6: The Commission should move towards a targeted regulatory approach in line with its proposed Risk Assessment Framework. The Risk Assessment Framework should be tested for proportionality and flexibility in functionality.

- Rec 16c: Review how guidance is pitched and communicated to charities. This may involve simplifying guidance or going beyond the posting of technical guides on the Commission’s website.
- Rec 18: The Commission should ensure that its phone service helpline (whether operated by NI Direct or otherwise) allows escalation of a call directly to a Commission staff member if there is not an immediate connection to a staff member.
- Rec 19a: The Commission should draw up a plan to improve and update the website in light of recommendations in the report.
- Rec 73: The annual strategic meeting between the Minister and the Board should recommence as soon as possible.
- Rec 76: The Commission, in tandem with the Department, should document the new partnership arrangements, roles and responsibilities for future relationships with the Department in a new Partnership Agreement.

Financial Performance

Budget

The Commission has a key performance indicator of achieving a budget spend within 99% of overall budget, which for 2023-24 was set at £2,092,000. The resource budget was £2,031,000 and the capital budget was £61,000.

During 2023-24, the Commission reported a 98.64% total spend, broken down as 98.58% of resource budget and 100.51% of capital budget.

Statement of Comprehensive Net Expenditure

Total expenditure for the year excluding asset revaluations has increased by £40,776 from £2,056,877 to £2,097,653. This is mainly due to the increase in staff costs throughout the year as well as depreciation and amortisation and decreases in provisions compared to the previous year.

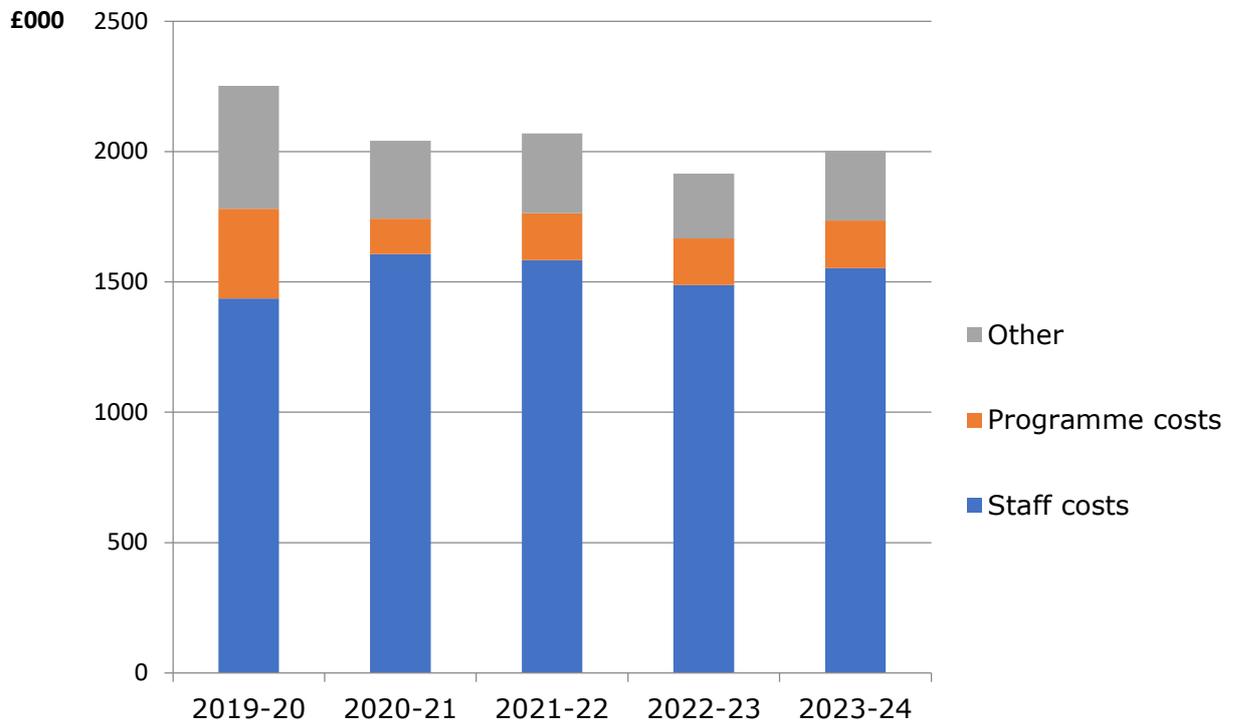
Statement of Financial Position

Non-current assets at the year-end were £548,687, a decrease of £98,104 on 2022-23.

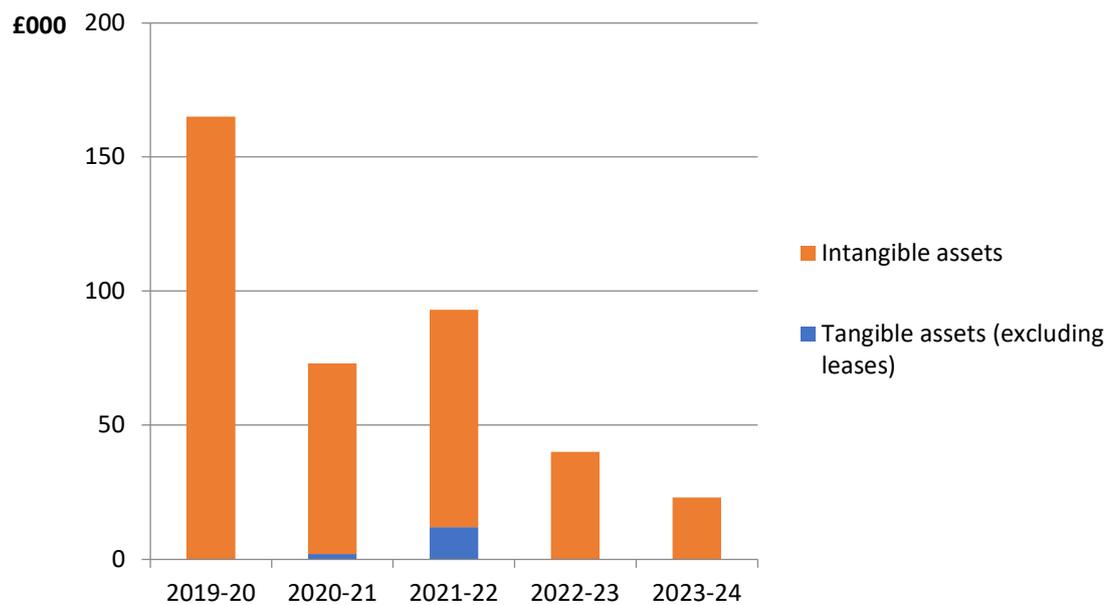
Financial results and position are set out in detail in the financial statements at page 81 and page 82 respectively.

Long-term expenditure trends

Resource expenditure over the last five years was as follows:



Capital expenditure over the last five years was as follows:



Complaints about our services

The Commission has published information on its complaints policy, including how to submit a complaint, and its approach for dealing with complaints received about service standards, in the *About us* section of the Commission's website www.charitycommissionni.org.uk.

During 2023-24, the Commission received six complaints, one of which was subject to a request for a review. One complaint was paused as the complainant no longer wished to receive communications from the Commission, which was required for the complaint to be progressed.

In one complaint, two of the issues were partially upheld and three were not upheld. One complaint was not upheld and was then reviewed, as requested by the complainant, and was again, not upheld. One complaint was found to be ineligible under the policy. Two complaints were not upheld. The Commission did not receive any complaints in relation to the information available about charities on its website.

The monitoring of complaints, alongside reporting regularly to the Board, forms an important part of the quality assurance process, providing a means by which trends and common issues about service delivery may be identified and resolved.

It also allows the Commission to determine how successfully it has dealt with the complaints. The Commission is also committed to a process of continuous learning and development, with complaints providing an important means by which stakeholders may share their views and feedback and, where appropriate, lessons may be learned for the future.

Sustainability

The Commission is aware of its environmental responsibilities and follows Northern Ireland Civil Service practices regarding recycling.

Open Data

The Commission is committed to sharing as much of the data it holds as possible. The Commission publishes the *register of charities* using the Open Government Data License on data.nicva.org and www.opendatani.gov.uk, in line with the Department of Finance's Open Data strategy for the Northern Ireland public sector. During the year the

Commission expanded the number of categories of information that can be downloaded from the charity register from 16 to 36.

Equality and diversity

The Commission's published *Equality scheme and action plan* demonstrates our commitment to promoting equality, diversity and accessibility across our work.

In keeping with this commitment, the Commission undertakes a range of activities during the year aimed at ensuring equality and good relations are integrated into all our activities. During 2023-24, these activities included the following.

- Ongoing implementation of internal systems to monitor the Commission's integrated *Equality scheme and action plan* and how the Commission works with charities and the public.
- Annual equality awareness training for all staff on 26 September 2023, supporting understanding of equality, diversity and good relations.
- As part of the redesign of Commission guidance the accessibility statement has been moved from the back cover to the front cover.

The Commission's *Equality scheme and action plan* is available to view on www.charitycommissionni.org.uk.

3. Future focus

As demonstrated in this second annual report since the Minister's response to the Independent Review of Charity Regulation, the Commission has embraced the change agenda. In two years, it has progressed over thirty recommendations related solely to the Commission, and assisted DfC to progress five key recommendations.

In 2024-25, the Commission will continue to deliver core regulatory activities while, subject to resources, seeking to develop as an enabling, responsive and collaborative regulator. In relation to strategic aim 1: Progressing charity registration to enhance accountability - the Commission will continue to prioritise registration. It will work with DfC on assessing the implementation of a registration threshold. To progress strategic aim 2: developing as an enabling regulator – the Commission will continue to contribute to the development of the new Charity SORP (Statement of Recommended Practice), to work with the Stakeholder Forum, and to engage with other stakeholders as well as roll out direct engagement with charity trustees on compliance and monitoring issues.

In terms of strategic aim 3: Continuing to develop proportionate regulation - risk-based parameters for selecting annual monitoring returns for checking and procedures for filing defaulters will be reviewed in terms of proportionality. Under this aim, and subject to DfC prioritisation, the Commission will work on scoping for a new Charities Bill and Charitable Incorporated Organisations and input to DfC's timetable and plans. Finally, under strategic aim 4: Operating as an effective and efficient public body - the Commission looks forward to implementing a new Partnership Agreement for governance arrangements. Changes to committee structures and the out workings of a potential scheme of delegation will also be progressed, once agreed.

At the start of 2024/25 the Board have deprioritised ten independent review related actions to manage risks presented by the Executive's financial situation. This is to ensure the Commission's focus is on delivering its regulatory agenda. Further information on progressing the 2023-26 Strategic Plan priorities in the 2024-25 Business Plan will be published on our website when signed off by sponsor department.



Frances McCandless Chief Executive
Date: 24 June 2024

Accountability report

4. Corporate governance report

Directors' report

The Charity Commission for Northern Ireland is the regulator of charities in Northern Ireland, a non-departmental public body sponsored by the Department for Communities.

The Chief Charity Commissioner is Gerard McCurdy, and the Chief Executive is Frances McCandless.

The Board of the Charity Commission comprises a Chief Charity Commissioner, a Deputy Chief Charity Commissioner and five Charity Commissioners. Legislation determines that at least one Commissioner must be a barrister or solicitor of at least seven years standing.

The *Register of interests* for the Commission Board can be viewed at: <http://www.charitycommissionni.org.uk/about-us/about-the-charity-commission/our-governance/register-of-interests/>

During 2023-24, the Commission did not formally report any personal data related breaches to the Information Commissioner's Office (ICO). The Commission takes its data processing responsibilities extremely seriously and as a statutory body maintains appropriate data management procedures in accordance with the law, including vetting and security.

Statement of Accounting Officer's responsibilities

Under Schedule 1, Section 8(2), of the Charities Act (Northern Ireland) 2008, the Department for Communities, with the approval of the Department of Finance, has directed the Charity Commission for Northern Ireland to prepare for each financial year a statement of accounts in the form and on the basis set out in the Accounts Direction. The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of the Commission and of its income and expenditure, Statement of Financial Position, 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 the Department for Communities, 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 financial statements.
- Prepare the financial statements on a going concern basis.
- Confirm that the Annual Report and Accounts as a whole is fair, balanced and understandable and take personal responsibility for the Annual Report and Accounts and the judgements required for determining that it is fair, balanced and understandable.

The Accounting Officer of the Department for Communities has designated the Chief Executive of the Charity Commission for Northern Ireland as Accounting Officer of the Commission.

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 accounting records, and for safeguarding the Commission's assets, are set out in Managing Public Money Northern Ireland published by the Department of Finance.

As the Accounting Officer of the Commission, the Chief Executive confirms that:

- As far as she is aware, there is no relevant audit information of which the entity's auditors are unaware.
- She has taken all steps that she ought to have taken to make herself aware of any relevant audit information and to establish that the entity's auditors are aware of that information.
- The annual reports as a whole are fair, balanced and understandable.
- She takes personal responsibility for the annual report and accounts and the judgements required for determining that it is fair, balanced and understandable.

Governance statement 2023-24

Introduction

As a regulator, the Charity Commission for Northern Ireland is dedicated to operating to the highest standards of corporate governance. The Commission's Board is accountable to its sponsor department, the Department for Communities, and the Northern Ireland Assembly.

The Commission's arrangements to meet that commitment are detailed in a formal corporate governance framework which brings together a variety of related policies and procedures. The Commission's assessment of its governance is informed by various internal and external opinions including those of auditors, other stakeholders, such as service users, staff, fellow regulatory bodies, the Charity Tribunal and the courts.

In this statement, the Board and Accounting Officer outline how they have discharged their responsibilities to manage and control the Charity Commission for Northern Ireland's resources throughout the financial year ended 31 March 2024. It is for the Accounting Officer, with Board support and input, to decide the format and content of this governance statement. In developing this statement, the Accounting Officer has considered guidance set out in *DAO (DFP) 10/12*, the updated *Managing Public Money NI (Annex A3.1)*, the relevant NI Audit Office fact sheet and feedback from governance experts so as to tailor the disclosure to the organisation and its features during 2023-24.

Scope of responsibility

The Charity Commission for Northern Ireland is the independent regulator of charities in Northern Ireland. The Commission is a non-departmental public body (NDPB), established by Royal Assent to deliver the legislative requirements of the Charities Act (Northern Ireland) 2008 as amended. It is sponsored by the Department for Communities. The Commission's strategic aims in 2023-24 were:

- Progressing charity registration to enhance accountability
- Progressing our development as an enabling regulator
- Continuing to develop proportionate regulation
- Developing as a properly governed, transparent and independent decision-making body.

The purpose of the governance framework

The Commission's governance framework is designed to allow the organisation to operate as an accountable, efficient and effective public body and to manage risk to a reasonable level. It is impossible to eliminate all risk of failure to achieve policies, aims and objectives and it can therefore only provide reasonable and not absolute assurance of effectiveness. The framework is based on an ongoing process designed to identify and prioritise the risks to the achievement of the Commission's policies, aims and objectives, to evaluate the likelihood of those risks being realised, the impact should they be realised and to manage them efficiently, effectively and economically.

A governance framework has been implemented within the Commission since establishment and is published on the Commission's website.

The Charity Commission for Northern Ireland's governance framework

Board

The Board provides strategic leadership and directs the Commission's strategic planning, financial and operational management, governance and risk assessment to ensure that statutory obligations are met. The Board provides strategic direction, challenge and oversight to the Senior Management Team which is responsible for operational management and performance. The Board comprises a Chair, a Deputy Chair and up to five Charity Commissioners, all on a part-time basis. At least one Charity Commissioner must be a barrister or solicitor of at least seven years' standing. Appointments of Charity Commissioners, who constitute the Board, are required to be made by the Minister for Communities in accordance with the Northern Ireland Code of Practice for Ministerial Appointments to public bodies issued by the Commissioner for Public Appointments. One Board position, that of Deputy Chair, was vacant at year end but was subsequently filled on 1 June.

The Board acts independently of senior management in line with a formal governance agreement known as the Management Statement and Financial Memorandum (MSFM). This was last reviewed with DfC and a new version agreed and signed during August 2016. Work was begun over four years ago to develop a new Partnership Agreement which will replace the MSFM. This has not yet been formally agreed with DfC. It is

the responsibility of the Board members to ensure the Commission continues to act within the law, fulfil the aims and objectives set by its sponsor department and approved by the Minister, and deliver the efficient, economic and effective use of staff and other resources.

In February 2022 the NI Assembly passed the Charities Act (Northern Ireland) 2022 in which provision was made for a scheme of delegation which may alter the current role of Board members. A decision on this was awaited at year end. The independent review of charity regulation which reported in early 2022 forms the basis of the Commission's strategic plan for 2023-26 which was awaiting approval at year end.

During the year the Board undertook its responsibilities by:

- agreeing a business plan for approval by DfC.
- agreeing a draft strategic plan, still awaiting approval, which sets out a clear vision and identifies steps to its achievement.
- agreeing a new engagement strategy.
- ensuring the sponsor department was kept informed of developments, changes in assumptions and policy which were likely to impact on the strategic direction of the Commission or attainability of its targets.
- ensuring any statutory or administrative requirements for the use of public funds were complied with and that the Board operated within the limits of its statutory authority and any delegated authority agreed with the sponsor department through a review of the terms of the MSFM. This was done twice during the year and found full compliance.
- receiving and regularly reviewing financial and performance management information in terms of budget updates and forecast spend at each Audit and Risk Assurance Committee and Board meeting, and quarterly business plan progress reports, which provided positive assurance to the sponsor department that performance was being assessed and appropriate action was being taken to meet performance commitments, or take appropriate alternative action in an open and timely manner.
- demonstrating high standards of corporate governance at all times, including using an independent Audit and Risk Assurance Committee member and a Commissioner with accounting skills to help the Board address the key financial and other risks facing the Commission.
- reviewing Board performance and reviewing the Board's *Standing Orders, Operating Framework* and *Code of Conduct*.
- operating a live *Register of interests* on the Commission's website, with conflicts a standing agenda item at Board meetings.
- receiving reports at meetings from its Audit and Risk Assurance and Human Resources sub-committees and ensuring that the

recommendations from these sub-committees received properly proposed and recorded approvals by the Board itself.

- taking account of fraud awareness reports from the Department of Finance as appropriate and undertaking ongoing work on fraud, including reviewing the policy and the organisational bribery assessment.
- ensuring an effective risk management process is in place, annually updating the policy and setting a risk appetite, and reviewing the corporate risk register at each Board meeting following its prior assessment by the Audit and Risk Assurance Committee.
- ensuring that effective implementation of UKGDPR continued throughout the year.
- monitoring and publishing progress on an action plan produced in response to a review commissioned in 2020-21 by independent counsel of two early statutory inquiries.
- signing off its Annual Report and Accounts for laying before the Assembly.
- ensuring the Commission implemented the relevant provisions in the Charities Act (NI) 2022.
- consideration of legal issues, ongoing litigation and related risks and feedback from its Legal Advisory Group.
- consideration of feedback from the Commission’s Stakeholder Forum.
- approval of the Commission’s annual equality report.

The Deputy Chair, who had been appointed Interim Chair in December 2022, was appointed Chair in September 2023. A new Commissioner, Terence McGonigal was appointed in September 2023.

Attendance at Board meetings during the year:

Board member	Number of meetings attended
Gerard McCurdy, Deputy Chair (appointed Chair September 2023)	6 out of 7
Patricia Kelly, Legal Commissioner	7 out of 7
Séamus Magee, Commissioner (left August 2023)	2 out of 2
Kieran Donaghy, Commissioner	7 out of 7
Hugh McKeag, Commissioner	6 out of 7
Alan Hunter, Commissioner	6 out of 7
Terence McGonigal (appointed September 2023)	5 out of 5

Board performance and assessment of its own effectiveness

In 2023-24 the Board met seven times. The Audit and Risk Assurance Committee met four times, and the Human Resources Committee met four times. Board and committee minutes are published regularly on the Commission's website. Following the High Court ruling on the interpretation of the Charities Act (NI) 2008, committees continued to operate to make statutory decisions under Schedule 1 of the Act.

Commissioners continued their development in this year by undertaking training on specific sections of the Charities Act (NI) 2008, recruitment and selection and the role of the Audit & Risk Assurance Committee.

Commissioners were subject to annual appraisal and the results were reported to the sponsor department. During the year an external effectiveness review of board performance was carried out. The assessment of performance and structures was positive and recommendations for improvement included a review of committee structures. The Board confirmed through this process that they are satisfied with the quality of data they receive and are confident of their leadership role.

The Board ensures that the Commission is compliant with its responsibilities under s75 of the Northern Ireland Act 1998 and considers an annual report to the Equality Commission each year. This judges the organisation's compliance with its equality and good relations duties.

Audit and Risk Assurance Committee

The Audit and Risk Assurance (A&RA) Committee was established in June 2009. The Committee supports the Board and the Accounting Officer in their responsibilities regarding issues of risk, control and governance, and associated assurances. During the period under review its oversight role included, but was not limited to, internal and external audit, the budgetary control system, the Commission's financial statements and risk management. At each meeting the Commission's Chief Executive and Head of Corporate Services report risks to the Committee, which reviews and challenges assessments and planned actions, and identifies its own view on emerging issues and the organisational risk agenda. The Committee, in turn, reports to the Board on governance matters and informs the Board of any emerging issues which are then discussed.

The committee undertook an annual self-assessment in November 2023 using the National Audit Office Checklist. In broad terms the committee were content with their approach. The committee also undertook an annual review of its *Terms of Reference*.

The committee undertook reviews of a number of key policies as part of its annual schedule. This work included consideration of Finance Procedures, Risk policy, Fraud and Bribery, Business Continuity Plan, Information Security and Raising Concerns about the Commission. The committee also received regular updates on cyber security.

Also during this period the committee received independent assurance from Internal Audit which was provided by the Internal Audit function of the Department for Communities. Representatives of Internal Audit attended all four Audit and Risk Assurance Committee meetings during 2023-24.

The committee agreed an Internal Audit strategy which was supported in this year by an audit plan for 2023-24 that included two phases of audit work during the year. The areas audited during the year were in line with the agreed plan with one amendment to include schedule 1 operation.

They included:

Phase 1 – managing conflicts of interest, dealing with Serious Incident Reports, the research strategy and financial management.

Phase 2 – communications procedures, website development project management, recording of schedule 1 decisions and the implementation of previously accepted audit recommendations.

The Head of Internal Audit (HIA) provides an objective evaluation of, and opinion on, the overall adequacy and effectiveness of the Commission's framework of governance, risk management and control. Based the work performed to deliver the 2023-24 internal audit plan, the HIA provided an overall satisfactory opinion on the Commission's arrangements. There were no category one recommendations.

During the year under review the Northern Ireland Audit Office (NIAO) attended all four committee meetings. The committee considered the *2022-23 NIAO Report to Those Charged with Governance* which indicated an unqualified audit opinion, without modification, on the 2022-23 financial statements. Having reviewed the accounting policies, the NIAO were content at their appropriateness. No significant issues were

identified regarding regularity, and the audit did not identify any significant internal control weaknesses. The report made three recommendations, none of which were priority one. The Commission’s annual report and accounts were laid before the Assembly on 11 July 2023.

As usual, the committee met during the year with both sets of auditors without staff present.

The membership of the committee was changed during 2023-24 and independent member Caron Alexander was reappointed for two years in February 2024.

Attendance at Audit and Risk Assurance Committee meetings during the year was as follows:

A&RA Committee member	Number of meetings attended
Séamus Magee, Chair (left Commission August 2023)	1 out of 1
Gerard McCurdy (left committee October 2023)	2 out of 2
Caron Alexander, Independent Member of committee (reappointed February 2024)	4 out of 4
Alan Hunter	2 out of 4
Andrea Quail, Co-opted member (appointment ended May 2023)	1 out of 1
Hugh McKeag (Chair from November 2023)	2 out of 2
Terence McGonigal (joined committee November 2023)	2 out of 2

Human Resources Committee

The Human Resources Committee supports the Board in its responsibilities regarding issues of staff resource and staff performance including, but not limited to, recruitment, staff structure, human resource policies and practice and legislative compliance.

The committee met four times in 2023-24. During the year the committee considered: staff wellbeing and health & safety, elements of the staff handbook, the Safeguarding Policy, the Hybrid Working Policy, results of the staff survey, updates on HR-related audit recommendations, the People Strategy and related action plan and staff performance appraisal

and training outcomes. The Committee reviewed its own Terms of Reference.

The membership of this committee was changed during the year. Attendance at Human Resources Committee meetings was as follows.

HR Committee member	Number of meetings attended
Kieran Donaghy (Chair from October 2023)	4 out of 4
Gerry McCurdy, (Chair until October 2023)	1 out of 1
Hugh McKeag (left committee July 2023)	1 out of 1
Patricia Kelly (joined October 2023)	3 out of 3

Schedule 1 Committees

The Charity Commission for Northern Ireland has established Schedule 1 decision-making committees to support it in the discharge of its statutory functions under the Charities Act (Northern Ireland) 2008. A committee is composed of at least one Commissioner and one other person. The role of the committees is to discharge certain functions of the Commission through a committee rather than through the full Board acting in a Board meeting. The committees' decisions do not require ratification by the full Board of Commissioners.

Schedule 1 committees during the year were attended as follows:

Board member	Number of Schedule 1 committees
Gerard McCurdy	9
Patricia Kelly	9
Séamus Magee (left August 2023)	3
Kieran Donaghy	10
Alan Hunter	9
Hugh McKeag	9
Terence McGonigal	3

Performance and Development committee

A new committee was formed this year to oversee the performance of the Chief Executive. Membership is comprised of the Chairs of the Commission, the Audit and Risk Assurance Committee and the HR Committee. The Board agreed its Terms of Reference and it met once during the year.

Risk and control framework

The Commission's approach to risk management and internal control is proactive and reflects reviews and assurances at various levels within the organisation. During 2023-24, the Commission continued to enhance the identification and consideration of risk within the organisation.

During the year a series of risks related to the delivery of the 2023-24 business plan were managed. The approach to risk continued to try to capture the risks of opportunities not fully realised.

The systems in place included:

- a risk policy that specifically required identification of risks, an assessment of their impact and an action plan that accorded ownership, was time bounded and monitored regularly.
- monthly review of the corporate risk register by the Senior Management Team and sign off by the Chief Executive.
- signed monthly/quarterly assurance reports and statements by management along with monthly review of risks by middle management relating to various project and programme team risk registers.
- twice-yearly assurance statements to the sponsor department which were informed by business level assurance statements and agreed by the Board and the Audit & Risk Assurance Committee.
- regular review of the corporate risk register with sponsor branch at liaison meetings.
- consideration and updating of the risk register as a standing item at Audit and Risk Assurance Committee and at subsequent Board meetings.
- annual fundamental review of the risk policy and organisational appetite linked to business plan objectives.
- assurance framework covering all policies and procedures subject to various monthly, quarterly and annual checks, which inform the overall assurance statement by the Accounting Officer.
- annual internal and external audit programmes, which are informed by a review of strategic business risks.

As part of the Commission's business planning processes, the Commission identified the inherent risk appetite for each objective. In addition, it assessed each policy and procedure for impact and likelihood using a risk matrix to provide an overview of key areas of risk, and levels of assurance checking were assigned for progression and monitoring.

Although the Corporate Governance in Central Government Departments Code of Good Practice (NI) 2013 is for central government departments, the Commission's own governance policies comply with the principles of this central government code. The *Commission's Board Operating Framework, Code of Conduct and Standing Orders*, in conjunction with its MSFM, set out the roles, duties, procedures and values of the organisation's governance function.

The Commission has in place a 'Raising Concerns about the Commission' policy, formerly known as Whistleblowing. A Commissioner, Kieran Donaghy, is designated with special responsibility for this issue. The policy was reviewed by Internal Audit during the year to enable an assurance to be given to DfC on the policy's appropriateness to their approach. There were no issues raised under the policy during this year.

Sources of external assurance

During this year the Commission drew assurance from a number of external sources including NIAO.

Significant control/governance issues

The Commission's assessment of the risk environment was reconfigured at the start of the year, in line with the draft 2023-24 business plan and consideration of the Department for Communities' evolving approach to risk. The Commission set its organisational risk appetite and from that point six risks related to delivery of the plan were articulated and managed through the corporate risk register.

At the outset the 2023-24 corporate risk register included one extreme risk ie that budget constraints might require cost reductions that could not be achieved in year, and this would lead to reductions in delivery of regulatory decision making and progressing priority Independent Review recommendations at a time of heightened expectation amongst the charity sector. In response the Board adjusted its business plan targets by 30-40% and focused as much as possible on delivering key parts of the new enabling regulatory agenda set out by the review. All but one of the other risks were assessed by the Board to be in the high to moderate category.

Over the course of the year risks were reviewed and at year end the register included no extreme risks and all but one were viewed as moderate to low. Assessment of specific risks noted:

- as the year progressed there was no evidence that the risk of Trustees beginning to operate a de facto compliance threshold while DfC brought forward the new regulatory policy and legislative framework was materialising.
- The risk that stakeholders would not engage with the Commission's plans to increase engagement, reducing the Commission's ability to co-design and deliver change was not borne out. Indeed the year saw sustained levels of increased engagement through the Stakeholder forum expanding and various other initiatives to engage users were successful.
- The potential perception of slowness in effecting the culture change to an enabling regulator (as recommended in the Independent Review of charity regulation) was mitigated by new processes to gather and report on visible evidence of change and feedback, which was shared with the sector and sponsor team on an ongoing basis.
- Staff survey results suggest the opportunities for better staff retention and satisfaction, and better work/life balance presented by hybrid working were being realised, with the biggest impacts on staff motivation beyond the Commission's control ie pay and office relocation.
- During quarter three the Board added an additional risk related to cyber and information security to the register in response to wider alertness of the public sector to emerging threats. Subsequent to year end this risk was increased. One data incident after the reporting period was initially considered reportable to the ICO, but after advice and fuller investigation, was assessed by the Commission's Data Protection Officer as less severe. Actions were put in place to ensure systems were strengthened. At the time of finalising the governance statement, this is an ongoing matter.

Continuing to operate statutory regulatory decisions made by Commissioners meant business targets relating to the registration of charities and other areas of regulation remained lower than in previous years presenting a global strategic risk to the sector.

As an outworking of previous inquiry work, claims received during 2021-22 were settled by year end. As one outstanding piece of litigation remained, a contingent liability has been recorded in the accounts.

Review of effectiveness of internal control

As Accounting Officer I have responsibility for reviewing the effectiveness of the system of internal control. My review of the effectiveness of the system of internal control is informed by the work of the Internal Auditors, those within the organisation who have responsibility for the development and maintenance of the organisation's internal control framework and comments made by external auditors in their *Report to Those Charged with Governance*.

I have been advised on the implications of the result of my review of the effectiveness of the system of internal control by the Audit and Risk Assurance Committee and a plan to address any weaknesses and ensure continuous improvement of the system is in place.

In respect of 2023-24 I have been informed by Internal Audit on the adequacy and effectiveness of internal controls operating within the Charity Commission for Northern Ireland. In the Internal Auditors' report they have stated that, in their opinion, the Commission's internal control systems were adequate and operated effectively thereby providing satisfactory assurance regarding the effective and efficient achievement of the Commission's objectives. The internal control systems have been in place for the year under review and up to the date of approval of the annual report and accounts.



Frances McCandless
Chief Executive
Date: 24 June 2024

5. Remuneration and staff report

Remuneration policy

The Commissioners of the Charity Commission for Northern Ireland are appointed by the Minister for Communities in line with the Code of Practice issued by the Commissioner for Public Appointments.

The Board has corporate responsibility to appoint, subject to the Minister's and sponsor department's approval, such staff as the Commission considers necessary. In consultation with the sponsor department, the Board sets performance objectives and remuneration terms linked to these objectives for the Chief Executive, which give due weight to the proper management and use of public monies.

The pay remit for the Northern Ireland Civil Service, including senior civil servants (SCS), is normally approved by the Minister of Finance.

Following the Secretary of State for Northern Ireland's 27th April 2023 Written Ministerial Statement (WMS) on the budget, the NI public sector pay policy guidance was published on 31st May 2023 in FD (DoF) 05/23. This was subsequently updated on 12th March 2024 in FD (DoF) 04/24 to reflect the return of Executive Ministers and revised departmental budgets.

Annual Northern Ireland Civil Service (NICS) pay awards are made in the context of the wider public sector pay policy. The pay award for NICS non-industrial staff, including SCS, for 2023/24 has been finalised and is due to be paid in June 2024. The 2023/24 pay award for NICS industrial staff has also been finalised and is due to be paid in May 2024.

The pay of NICS staff is based on a system of pay scales for each grade, including SCS, containing a number of pay points from minimum to maximum, allowing progression towards the maximum based on performance. The Commission employs only non-industrial grade staff, and its pay policy is to mirror that of the NICS.

Service contracts

The Civil Service Commissioners (NI) Order 1999 requires Civil Service appointments to be made on merit on the basis of fair and open competition. The Recruitment Code published by the Civil Service Commissioners for Northern Ireland specifies the circumstances when appointments may be made by exception to merit.

The Chief Charity Commissioner and Deputy Chief Charity Commissioner are appointed for a five year term of office. Five Commissioners are normally appointed for a three to five year term. In 2023-24 one Commissioner resigned and one new Commissioner was appointed. The Chief Commissioner resigned in November 2022 and the Deputy Chief Commissioner was appointed Interim Chief Commissioner and Chair to the Board of the Commission on 21 December 2022. The existing Deputy was appointed as the new Chief Commissioner and Chair to the Board of the Commission on 1 September 2023 for a five year period. The Deputy Chief Commissioner post was filled from June 2024. The Chief Executive of the Commission, who is also the Accounting Officer, was appointed in April 2010 and this appointment is open-ended.

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

Remuneration and pension entitlements Emoluments of Commissioners, Chief Executive and senior management

The following sections provide details of the remuneration and pension interests of the most senior members of the Commission.

Remuneration and pension entitlements (Audited information)

Single total figure of remuneration				
Commissioners	2023-24		2022-23	
	Salary* £'000	Benefits in kind (to nearest £100)	Salary £'000	Benefits in kind (to nearest £100)
Gerard McCurdy, Chief Charity Commissioner (appointed 01 September 2023. Had been appointed Interim Chair on 21 December 2022)	20-25	n/a	10-15	n/a
Séamus Magee, Commissioner (resigned 31 August 2023)	0-5 <i>(5-10 full-year equivalent)</i>	n/a	5-10	n/a
Kieran Donaghy, Commissioner (term began 01 March 2019)	10-15	n/a	5-10	n/a
Hugh McKeag, Commissioner (term began 01 September 2019)	5-10	n/a	5-10	n/a
Patricia Kelly, Legal Commissioner (term began 01 June 2021)	10-15	n/a	5-10	n/a
Alan Hunter, Commissioner (term began 01 February 2022)	10-15	n/a	5-10	n/a
Terence McGonigle, Commissioner (term began 01 September 2023)	0-5 <i>(5-10 full-year equivalent)</i>	n/a	n/a	n/a

**The salary figure above includes payments made to Commissioners for statutory decision-making duties carried out in the year.*

The table below shows the Salary bands in relation to additional statutory decision-making duties in Schedule 1 committees only, these figures are also included in the salary table above and is presented below for information purposes only.

Schedule 1	2023-24 £'000	2022-23 £'000
Gerard McCurdy, Chief Charity Commissioner (appointed 01 September 2023. Had been appointed Interim Chair on 21 December 2022)	5-10	5-10
Séamus Magee, Commissioner (resigned 31 August 2023)	0-5 <i>(0-5 full-year equivalent)</i>	0-5
Kieran Donaghy, Commissioner	5-10	0-5
Hugh McKeag, Commissioner	5-10	5-10
Patricia Kelly, Legal Commissioner	5-10	5-10
Alan Hunter, Commissioner	5-10	0-5
Terence McGonigle, Commissioner (term began 01 September 2023)	0-5 <i>(0-5 full-year equivalent)</i>	n/a

**The payments made to Commissioners for statutory decision-making duties in Schedule 1 committees are paid in relation to time spent for each of the meetings including preparation for meetings. This can vary from meeting to meeting and between Commissioners depending on the complexity of papers being reviewed, individuals' experience and knowledge, and nature of decision to be made.*

Remuneration and pension entitlements (Audited information)

Single total figure of remuneration								
Senior Management	2023-24				2022-23			
	Salary	Benefits in kind	Pension Benefits*	Total	Salary	Benefits in kind	Pension benefits*	Total
	£'000	Nearest £100	£'000	£'000	£'000	Nearest £100	£'000	£'000
Chief Executive Frances McCandless	85-90	-	0	85-90	80-85	-	25	105-110
Head of Charity Services Punam McGookin	55-60	-	33	90-95	55-60	-	5	60-65
Head of Compliance and Enquiries Rossa Keown	55-60	-	23	80-85	50-55	-	22	75-80
Head of Corporate Services Aubrey McCrory	55-60	-	30	85-90	55-60	-	17	75-80

**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 and any increase or decrease due to a transfer of pension rights.*

Fair pay review disclosure (Audited information)

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 2023-24 was £85,000-£90,000 (2022-23: £80,000-£85,000). The relationship between the mid-point of this band and the remuneration of the organisation's workforce is disclosed below. The percentage changes in respect of the Commission are shown in the following table. It should be noted that the calculation for the highest paid director is based on the mid-point of the band within which their remuneration fell in each year.

	2023-24	2022-23
Band of highest paid director's total remuneration (£000)	85-90	80-85
Percentage changes in the highest paid director's salary and allowances	2.53%	0%
Percentage changes in the highest paid director's performance pay and bonuses payable	n/a	n/a
For employees the average percentages changes from the previous financial year of salary and allowances (excluding the highest paid director's)	2.91%	-2.45%
For employees the average percentages changes from the previous financial year of performance pay and bonuses payable (excluding the highest paid director's)	n/a	n/a

**The minus percentage has been a result of staff who have left the Commission who were on the top scale of their pay grade; replaced with staff who join at the bottom of the scale.*

2023-24	25th percentile	Median	75th Percentile
Total remuneration (£)	26,569	27,127	36,002
Pay Ratio	3.3:1	3.2:1	2.4:1

2022-23	25th percentile	Median	75th Percentile
Total remuneration (£)	26,295	26,575	34,570
Pay Ratio	3.1:1	3.1:1	2.4:1

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

The banded remuneration of the highest paid director in the Commission in the financial year 2023-24 was £85,000-£90,000 (2022-23: £80,000-£85,000). This was 3.2 times (2022-23: 3.1) the median remuneration of the workforce, which was £27,127 (2022-23: £26,575), this is consistent with pay, reward and progression policies for the Commission's employees taken as a whole. The banded remuneration of the highest paid director in the Commission in the financial year 2023-24 was 3.3 times the remuneration of the employee whose pay and benefits are on the 25th percentile of pay and benefits of the Commission's employees (2022-23: 3.1), and 2.4 times the remuneration of the employee whose pay and benefits are on the 75th percentile of pay and benefits of the Commission's employees (2022-23: 2.4) Remuneration ranged from £23,789 to £87,500 (2022-23, £22,519 to £82,500). The increase is due to a pay award being implemented in 2023-24.

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 severance or ex gratia payments. This report is based on the accrued payments made by the Commission and thus recorded in these accounts.

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

The Charity Commission for Northern Ireland does not operate any form of performance pay, bonus scheme, overtime or private office allowances.

Pension benefits (Audited information)

No Commissioners received pension benefits. In the 2012-13 year, Department of Finance approval was given to provide pension benefits through membership of the Principal Civil Service Pension Scheme to the Chief Executive and staff. Details of the Commission's pension benefits and entitlements are detailed as follows.

Pension Entitlements (Audited information)

Officials	Accrued pension at pension age as at 31/3/24 and related lump sum	Real increase in pension and related lump sum at pension age	CETV at 31/3/24	CETV at 31/3/23	Real increase in CETV	Employer contribution to partnership pension account
	£'000	£'000	£'000	£'000	£'000	Nearest £100
Frances McCandless Chief Executive <i>(alpha scheme)</i>	35-40 plus lump sum of Nil	0-2.5 plus lump sum of Nil	642	571	(5)	-
Punam McGookin Head of Charity Services <i>(alpha scheme)</i>	15-20 plus lump sum of Nil	0-2.5 plus lump sum of Nil	404	349	29	-
Aubrey McCrory Head of Corporate Services <i>(alpha scheme)</i>	10-15 plus lump sum of Nil	0-2.5 plus lump sum of Nil	265	221	22	-
Rossa Keown Head of Compliance and Enquiries <i>(alpha scheme)</i>	10-15 plus lump sum of Nil	0-2.5 plus lump sum of Nil	167	137	11	-

Northern Ireland Civil Service (NICS) Pension Schemes

Pension benefits are provided through the Northern Ireland Civil Service pension schemes which are administered by Civil Service Pensions (CSP). The alpha pension scheme was introduced for new entrants from 1 April 2015. The alpha scheme and all previous scheme arrangements are unfunded with the cost of benefits met by monies voted each year. The majority of members of the Classic, Premium, Classic Plus and Nuvo pension arrangements (collectively known as the Principal Civil Service Pension Scheme (Northern Ireland) [PCSPS(NI)]) also moved to alpha from that date. Members who on 1 April 2012 were within 10 years of their normal pension age did not move to alpha (full protection) 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 (tapered protection).

McCloud Judgment

In 2018, the Court of Appeal found that the transitional protections put in place back in 2015 that allowed older workers to remain in their original scheme, were discriminatory on the basis of age. As a result, steps have been taken by the Department of Finance to remedy this discrimination.

The Department has now made regulations which remedy the discrimination by:

- ensuring all active members are treated equally for future service as members of the reformed alpha scheme only from 1 April 2022, and
- providing each eligible member with options to have their pension entitlements for the period when the discrimination existed between 1 April 2015 and 31 March 2022 (the remedy period) retrospectively calculated under either the current (reformed) scheme rules, or the old (pre-reform) legacy rules which existed before 2015.

This means that all active NICS Pension Scheme members are in the same pension scheme, alpha, from 1 April 2022 onwards, regardless of age. This removes the discrimination going forwards in providing equal pension provision for all scheme members.

The Department is now implementing the second part of the remedy, which addresses the discrimination which was incurred by affected members between 1 April 2015 and 31 March 2022.

Eligible members with relevant service between 1 April 2015 and 31 March 2022 (the Remedy Period) will now be entitled to a choice of alternative pension benefits in relation to that period. i.e. calculated under the pre-reformed PCSPS(NI) 'Classic', 'Premium' or 'Nuvos' rules or alternatively calculated under the reformed alpha rules. As part of this 'retrospective' remedy most active members will now receive a choice about their remedy period benefits at the point of retirement. This is known as the Deferred Choice Underpin (DCU). For those members who already have pension benefits in payment in relation to the Remedy Period, they will receive an Immediate Choice which will be issued by 31 March 2025.

At this stage, allowance has not yet been made within CETVs for this remedy. Further information on the remedy will be included in the NICS pension scheme accounts which, once published, are available at <https://www.finance-ni.gov.uk/publications/dof-resource-accounts>. As part of the remedy involves rolling back all remediable service into the relevant legacy PCSPS(NI) arrangement for the 7-Year Remedy Period, the value of pension benefits may change for affected members and some figures previously reported may change. The 2023-24 pension disclosures above are calculated based on HM Treasury guidance using:

- a. Rolled back opening balance
- b. Rolled back closing balance
- c. CETV calculated by CSP on the rolled back basis
- d. No restatement of prior year figures where disclosed.

Alpha

Alpha 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 rate is 2.32%.

From 1 April 2015, all new entrants joining the NICS can choose between membership of alpha or joining a 'money purchase' stakeholder

arrangement with a significant employer contribution (partnership pension account).

Information on the PCSPS(NI) – Closed Scheme

Staff in post prior to 30 July 2007 were eligible to be in one of three statutory based 'final salary' legacy defined benefit arrangements (Classic, Premium and Classic Plus). From April 2011, pensions payable under these arrangements have been reviewed annually in line with changes in the cost of living. New entrants who joined on or after 1 October 2002 and before 30 July 2007 will have chosen between membership of Premium or joining the Partnership Pension Account.

New entrants who joined on or after 30 July 2007 were eligible for membership of the legacy PCSPS(NI) Nuvos arrangement or they could have opted for a Partnership Pension Account. Nuvos was also a CARE arrangement in which members accrued pension benefits at a percentage rate of annual pensionable earnings throughout the period of scheme membership. The rate of accrual was 2.3%.

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.

Partnership Pension Account

The Partnership Pension Account is a stakeholder pension arrangement. The employer makes a basic contribution of between 8% and 14.75% (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 0.5% of pensionable salary to cover the cost of centrally provided risk benefit cover (death in service and ill health retirement).

Active members of the pension scheme will receive an Annual Benefit Statement. The accrued pension quoted is the pension the member is entitled to receive when they reach their scheme pension age, or immediately on ceasing to be an active member of the scheme if they are at or over pension age. The normal pension age in alpha is linked to the member's State Pension Age but cannot be before age 65. The Scheme Pension age is 60 for any pension accrued in the legacy **Classic**, **Premium**, and **Classic Plus** arrangements and 65 for any benefits accrued in **Nuvos**. Further details about the NICS pension schemes can be found at the website: www.finance-ni.gov.uk/civilservicepensions-ni

All pension benefits are reviewed annually in line with changes in the cost of living. Any applicable increases are applied from April and are determined by the Consumer Prices Index (CPI) figure for the preceding September. The CPI in September 2023 was 6.7% and HM Treasury has announced that public service pensions will be increased accordingly from April 2024.

Employee contribution rates for all members for the period covering 1 April 2024 – 31 March 2025 are as follows:

Scheme Year 1 April 2024 to 31 March 2025

Annualised Rate of Pensionable Earnings (Salary Bands)		Contribution rates for All members
From	To	From 01 April 2024 to 31 March 2025
£0	£26,302.49	4.6%
£26,302.50	£59,849.99	5.45%
£59,850.00	£160,964.99	7.35%
£160,965.00 and above		8.05%

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) Regulations 1996 (as amended) and do not take account of any actual or potential benefits resulting from Lifetime Allowance Tax which may have been due when pension benefits are taken. The Lifetime Allowance will end in April 2024 and will be replaced by the Lump Sum Allowance and The Lump Sum And Death Benefit Allowance.

HM Treasury provides the assumptions for discount rates for calculating CETVs payable from the public service pension schemes. On 27 April 2023, HM Treasury published guidance on the basis for setting the discount rates for calculating cash equivalent transfer values payable by public service pension schemes. In their guidance of 27 April 2023, HM Treasury advised that, with immediate effect, the discount rate adopted for calculating CETVs should be in line with the new SCAPE discount rate of 1.7% above CPI inflation, superseding the previous SCAPE discount rate of 2.4% above CPI inflation. All else being the same, a lower SCAPE discount rate leads to higher CETVs. The HM Treasury Guidance of 27 April 2023 can be found at

<https://www.gov.uk/government/publications/basis-for-setting-the-discount-rates-for-calculating-cash-equivalent-transfer-values-payable-by-public-service-pension-schemes/basis-for-setting-the-discount-rates-for-calculating-cash-equivalent-transfer-values-payable-by-public-service-pension-schemes>.

Real increase in CETV

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

Staff report

The Chief Executive has remuneration at senior civil servant band 5. The remuneration of all other staff follows that of the Northern Ireland Civil Service.

Staff costs (Audited information)

	2023-24			2022-23
	Permanently employed staff £	Other £	Total £	Total £
Wages and salaries	979,849	111,331	1,091,180	1,027,548
Social security costs	101,567	-	101,567	100,246
Other pension costs	277,995	-	277,995	293,625
Sub Total	1,359,411	111,331	1,470,742	1,421,419
Less recoveries in respect of outward secondments	-	-	-	-
Total net costs	1,359,411	111,331	1,470,742	1,421,419

During 2023-24, the Commission continued the employment of its permanent staff complement and provision of pension benefits through membership of the Principal Civil Service Pension Scheme (Northern Ireland) to the Chief Executive and staff. Other staff costs comprise temporary agency staff.

Pension

The Northern Ireland Civil Service main pension schemes are unfunded multi-employer defined benefit schemes but (insert employer's name) is unable to identify its share of the underlying assets and liabilities.

The Public Service Pensions Act (NI) 2014 provides the legal framework for regular actuarial valuations of the public service pension schemes to measure the costs of the benefits being provided. These valuations inform the future contribution rates to be paid into the schemes by employers every four years following the scheme valuation. The Act also provides for the establishment of an employer cost cap mechanism to ensure that the costs of the pension schemes remain sustainable in future.

The Government Actuary's Department (GAD) is responsible for carrying out scheme valuations. The Actuary reviews employer contributions every four years following the scheme valuation. The 2020 scheme valuation was completed by GAD in October 2023. The outcome of this valuation was used to set the level of contributions for employers from 1 April 2024 to 31 March 2027.

The Cost Cap Mechanism (CCM) is a measure of scheme costs and determines whether member costs or scheme benefits require adjustment to maintain costs within a set corridor. Reforms were made to the CCM which was applied to the 2020 scheme valuations and included the introduction of a reformed-scheme-only cost control mechanism which assesses just the costs relating to reformed schemes (alpha for the NICS) and introduced an economic check. Prior to the cost control mechanism reforms, legacy scheme (PCSPS(NI)) costs associated with active members were also captured in the mechanism. The reformed-scheme-only design and the economic check were applied to the 2020 scheme valuations for the devolved public sector pension schemes, including the NICS pension scheme. The 2020 scheme valuation outcome was that the core cost cap cost of the scheme lies within the 3% cost cap corridor. As there is no breach of the cost control mechanism, there is no requirement for the Department of Finance to consult on changes to the scheme. Further information can be found on the Department of Finance website <https://www.finance-ni.gov.uk/articles/northern-ireland-civil-service-pension-scheme-valuations>.

For 2023-24, employers' contributions of £277,995 were payable to the NICS pension arrangements (2022-23: £293,625) at one of three rates in the range 28.7% to 34.2% of pensionable pay, based on salary bands.

Employees can opt to open a partnership pension account: a stakeholder pension with an employer contribution. Employers' contributions of £0 (2022-23: £0) were paid to one or more of the panel of two appointed stakeholder pension providers. Employer contributions are age-related and range from 8% to 14.75% (2022-23: 8% to 14.75%) of pensionable pay.

The partnership pension account offers the member the opportunity of having a 'free' pension. The employer will pay the age-related contribution and if the member does contribute, the employer will pay an additional amount to match member contributions up to 3% of pensionable earnings.

Employer contributions of £0, 0% (2022-23: £0, 0%) of pensionable pay, were payable to the NICS pension schemes to cover the cost of the future provision of lump sum benefits on death in service and ill health retirement of these employees. Contributions due to the partnership pension providers at the reporting period date were £nil. Contributions prepaid at that date were £nil.

0 persons (2022-23: 0 persons) retired early on ill-health grounds.

Commissioners' costs (Audited information)

	2023-24			2022-23
	Permanently employed staff	Other	Total	Total
	£	£	£	£
Commissioners' remuneration	78,110	-	78,110	63,784
Social security costs	4,393	-	4,393	2,916
Total net costs	82,503	-	82,503	66,700

In addition to their salary, subsequent to the High Court ruling, commissioners are paid a fee for attendance at Schedule 1 Committee meetings to make statutory decisions. In 2023-24 the commissioners were required to work additional days over and above their contracted days, excluding Schedule 1 committee work, therefore additional remuneration was paid to them for this work. The costs above include the total remuneration received throughout the year.

Average number of persons employed (Audited information)

The average number of whole-time equivalent persons (including senior management but excluding Charity Commissioners) employed during the year was as follows:

	2023-24			2022-23
	Permanently employed staff	Other	Total	Total (restated)
Directly employed	26	3	29	30

Other employees relate to temporary agency staff.

Staff composition (Audited information)

At 31 March 2024 there were 26 staff employed and 4 temporary agency staff. The staff composition was as follows:

	Male	Female
Chief Executive (SCS)	-	1
Permanent staff	7	18
Other employees	1	3
Total staff composition	8	22

Sickness absence

The Commission has an attendance management policy, and the monitoring and management of employee attendance is based on this. Sickness absence in 2023-24 was 4.39% (2022-23: 8.74%) against a target of 3%, this was split 1.27% for short term absences and 3.12% for long term absences.

Staff turnover percentage

The staff turnover percentage in 2023-24 was 15.38% (2022-23: 5.88%) This is calculated using the number of leavers in the period divided by the average staff in post in the period. This calculation is based on guidance issued from the Cabinet Office. The figures used comprise permanently employed staff and exclude other staff which refers to temporary agency staff.

Staff policies

The Commission values and welcomes diversity and is committed to creating a truly inclusive workplace for all. The Commission has an equal opportunities policy and is committed to a policy of equality of opportunity in its employment practices and aims to ensure that no actual or potential job applicant or employee is discriminated against, either directly or indirectly, on the grounds of gender, marital status, disability, race, community background or political persuasion, age, dependants, sexual orientation or trade union membership. The Commission is an Equal Opportunities Employer and all applications for employment are considered strictly on the basis of merit. Panel members must have completed mandatory recruitment and selection training prior to participating on selection panels. This training includes specific learning on equality and diversity, relevant legislation and adjustments for disabled candidates. Unconscious bias training is available to all staff. The Commission continues to meet its statutory obligations under the Fair Employment & Treatment (NI) Order 1998, which includes submission of an annual Fair Employment Monitoring Return to the Equality Commission for NI (ECNI).

A training and development policy is also in operation. Each employee shall have equal opportunity for training and advancement on the basis of ability, qualifications and performance. This maximises the effective use of human resources in both the organisation and the individual's best interests. To retain existing employees with a disability or long-term health condition, or employees who have become disabled during the period of employment, the Commission facilitates training and progression. The Commission provides a range of reasonable adjustments to facilitate employees, including training and workstation assessments and adaptations, providing hybrid remote and flexible working arrangements and assessing job criteria and duties. The policy includes discretion for managers to consider a range of training and learning

support as well as funding of additional learning to enable employees with disabilities to continue employment.

The Commission operates internal communication and consultation arrangements to exchange information and share ideas and has a people strategy in place. These comprise regular team meetings and weekly all staff briefings. These cover key corporate and operational policy developments such as health and safety or updated charity guidance. An annual staff survey exercise aligned with the NICS approach is undertaken. Staff are involved in project groups tasked with developing regulatory programmes. The Commission consults and engages with local and official representatives of the recognised trade union, NIPSA, through a Joint Consultative and Negotiating Committee.

The recruitment policy sets out that applicants are given the opportunity to advise the Commission of any reasonable adjustments that they may require. Applicants with a disability who meet the essential requirements will be shortlisted.

To facilitate equality of opportunity the Commission offers a range of family friendly policies.

To help ensure that we are meeting our equality of opportunity obligations, the Commission monitors the composition of employees and applicants. This monitoring helps to identify if any of our policies, procedures or activities are operating to the detriment of any individual from any particular grouping within our diverse society. The Commission continues to meet its statutory obligations under Fair Employment & Treatment (NI) Order 1998, which includes submission of an annual Fair Employment Monitoring Return, which assess the composition of the Commission and the Composition of applicants and appointees.

Compensation payments (Audited information)

No compensation payments were made in the 2023-24 financial year.

Ex-gratia payments (Audited information)

No ex-gratia payments were made in the 2023-24 financial year.

Exit packages (Audited information)

No exit packages were awarded in the 2023-24 financial year.

Expenditure on consultancy

In line with the Department for Communities' guidance on classification of expenditure, in the 2023-24 financial year, no external consultancy was undertaken.

Expenditure on temporary staff

Total expenditure on temporary agency staff for 2023-24 was £111,331 (2022-23: £81,398). This was to progress support for the operation of Schedule 1 committees and additional work to address some of the recommendations from the Independent Review of charity regulation for the Commission, support re-introduction of charity annual reporting requirements, as well as support for an improved charity registration programme. It also includes cover for the Staff Officer Accountant post which became vacant in December 2023.

Off-payroll engagements

There were no off-payroll engagements during the financial year (2022-23: Nil).

6. Assembly accountability and audit report

Assembly accountability disclosure notes

Regularity of expenditure

Losses and special payments (Audited information)

The Charity Commission for Northern Ireland has experienced no losses and has made no special payments during the financial year.

Remote contingent liabilities (Audited information)

In addition to contingent liabilities reported within the meaning of IAS 37, the Charity Commission for Northern Ireland had no remote contingent liabilities at 31 March 2024 (2022-23: £nil).

Notation of gifts (Audited information)

The Charity Commission for Northern Ireland made no gifts over the limits proscribed in Managing Public Money Northern Ireland during the financial year.

This *Accountability report* was signed by the Accounting Officer of the Charity Commission for Northern Ireland on 24 June 2024.



Frances McCandless
Chief Executive
Charity Commission for Northern Ireland

THE CERTIFICATE AND REPORT OF THE COMPTROLLER AND AUDITOR GENERAL TO THE NORTHERN IRELAND ASSEMBLY

Opinion on financial statements

I certify that I have audited the financial statements of the Charity Commission for Northern Ireland for the year ended 31 March 2024 under the Charities Act (Northern Ireland) 2008. The financial statements comprise: the Statements of Comprehensive Net Expenditure, Financial Position, Cash Flows, Changes in Taxpayers' Equity; and the related notes including significant accounting policies. The financial reporting framework that has been applied in the preparation of the Charity Commission for Northern Ireland's financial statements is applicable law and UK adopted international accounting standards as interpreted and adapted by the Government Financial Reporting Manual.

I have also audited the information in the Accountability Report that is described in that report as having been audited.

In my opinion the financial statements:

- give a true and fair view of the state of the Charity Commission for Northern Ireland's affairs as at 31 March 2024 and of its net operating expenditure for the year then ended; and
- have been properly prepared in accordance with the Charities Act (Northern Ireland) 2008 and Department of Communities directions issued thereunder.

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.

Basis for opinions

I conducted my audit in accordance with International Standards on Auditing (ISAs)(UK), applicable law and Practice Note 10 'Audit of Financial Statements and Regularity of Public Sector Bodies in the United Kingdom'. My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of my certificate.

My staff and I are independent of the Charity Commission for Northern Ireland in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK, including the Financial Reporting Council's Ethical Standard, and have fulfilled our other ethical responsibilities in accordance with these requirements.

I believe that the audit evidence obtained is sufficient and appropriate to provide a basis for my opinions.

Conclusions relating to going concern

In auditing the financial statements, I have concluded that the Charity Commission for Northern Ireland's use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Charity Commission for Northern Ireland's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

The going concern basis of accounting for the Charity Commission for Northern Ireland is adopted in consideration of the requirements set out in the Government Financial Reporting Manual, which require entities to adopt the going concern basis of accounting in the preparation of the financial statements where it anticipated that the services which they provide will continue into the future.

My responsibilities and the responsibilities of the Commission and the Accounting Officer with respect to going concern are described in the relevant sections of this certificate.

Other Information

The other information comprises the information included in the Annual Report other than the financial statements, the parts of the Accountability Report described in that report as having been audited and my audit certificate and report. The Commission and the Accounting Officer is responsible for the other information included in the annual report. My opinion on the financial statements does not cover the other information and except to the extent otherwise explicitly stated in my certificate I do not express any form of assurance conclusion thereon.

My responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated.

If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

I have nothing to report in this regard.

Opinion on other matters

In my opinion based on the work undertaken in the course of the audit:

- the parts of the Accountability Report to be audited have been properly prepared in accordance with Department of Communities directions made under the Charities Act (Northern Ireland) 2008; and
- the information given in the Performance Report and Accountability 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

In the light of the knowledge and understanding of the Charity Commission for Northern Ireland and its environment obtained in the course of the audit, I have not identified material misstatements in the Performance Report and Accountability Report. 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 parts of the Accountability Report to be audited are not in agreement with the accounting records; or
- certain disclosures of remuneration specified by the Government Financial Reporting Manual are not made; 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 the Department of Finance's guidance.

Responsibilities of the Commission and Accounting Officer for the financial statements

As explained more fully in the Statement of Accounting Officer Responsibilities, the Commission and the Accounting Officer are responsible for:

- the preparation of the financial statements in accordance with the applicable financial reporting framework and for being satisfied that they give a true and fair view;
- ensuring such internal controls are in place as deemed necessary to enable the preparation of financial statements to be free from material misstatement, whether due to fraud or error;

- ensuring the annual report, which includes the Remuneration and Staff Report, is prepared in accordance with the Government Financial Reporting Manual; and
- assessing the Charity Commission for Northern Ireland's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Accounting Officer anticipates that the services provided by the Charity Commission for Northern Ireland will not continue to be provided in the future.

Auditor's responsibilities for the audit of the financial statements

My responsibility is to examine, certify and report on the financial statements in accordance with the Charities Act (Northern Ireland) 2008.

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue a certificate that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

I design procedures in line with my responsibilities, outlined above, to detect material misstatements in respect of non-compliance with laws and regulation, including fraud.

My procedures included:

- obtaining an understanding of the legal and regulatory framework applicable to the Charity Commission for Northern Ireland through discussion with management and application of extensive public sector accountability knowledge. The key laws and regulations I considered included the Charities Act (Northern Ireland) 2008;
- making enquires of management and those charged with governance on the Charity Commission for Northern Ireland's compliance with laws and regulations;
- making enquiries of internal audit, management and those charged with governance as to susceptibility to irregularity and fraud, their assessment of the risk of material misstatement due to fraud and irregularity, and their knowledge of actual, suspected and alleged fraud and irregularity;

- completing risk assessment procedures to assess the susceptibility of the Charity Commission for Northern Ireland's financial statements to material misstatement, including how fraud might occur. This included, but was not limited to, an engagement director led engagement team discussion on fraud to identify particular areas, transaction streams and business practices that may be susceptible to material misstatement due to fraud. As part of this discussion, I identified potential for fraud in the following areas: expenditure recognition and posting of unusual journals;
- engagement director oversight to ensure the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with the applicable legal and regulatory framework throughout the audit;
- documenting and evaluating the design and implementation of internal controls in place to mitigate risk of material misstatement due to fraud and non-compliance with laws and regulations;
- designing audit procedures to address specific laws and regulations which the engagement team considered to have a direct material effect on the financial statements in terms of misstatement and irregularity, including fraud. These audit procedures included, but were not limited to, reading board and committee minutes, and agreeing financial statement disclosures to underlying supporting documentation and approvals as appropriate; and
- addressing the risk of fraud as a result of management override of controls by:
 - performing analytical procedures to identify unusual or unexpected relationships or movements;
 - testing journal entries to identify potential anomalies, and inappropriate or unauthorised adjustments;
 - assessing whether judgements and other assumptions made in determining accounting estimates were indicative of potential bias; and
 - investigating significant or unusual transactions made outside of the normal course of business.

A further description of my responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website www.frc.org.uk/auditorsresponsibilities. This description forms part of my certificate.

In addition, 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.

Report

I have no observations to make on these financial statements.

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

Dorinnia Carville
Comptroller and Auditor General

Northern Ireland Audit Office
106 University Street
BELFAST
BT7 1EU

1 July 2024

Financial Statements

7. Statement of Comprehensive Net Expenditure

for the year ended 31 March 2024

This account summarises the expenditure and income consumed on an accruals basis. It also includes other comprehensive expenditure, which include changes to the values of non-current assets and other financial instruments that cannot yet be recognised as expenditure.

	Notes	2023-24 £	2022-23 £
Income			
Other operating income	5	0	0
Total operating income		0	0
Expenditure			
Staff costs	2	1,470,742	1,421,419
Commissioners' remuneration	2	82,503	66,700
Depreciation and amortisation	3	163,365	120,754
Provision expense	3	(2,064)	21,184
Other operating expenditure	3	383,017	426,108
Loss on Disposal	6	0	0
Total operating expenditure		2,097,563	2,056,165
Net operating expenditure			
Lease interest	3	90	712
Net expenditure for the year		2,097,653	2,056,877
Other comprehensive net expenditure			
Net (gain)/loss on revaluation of property, plant and equipment	6	(70)	(402)
Net (gain)/loss on revaluation of intangible assets	7	(3,432)	(19,681)
Comprehensive net expenditure for the year		2,094,151	2,036,794

The notes on pages 86 to 102 form part of these accounts.

8. Statement of Financial Position

as at 31 March 2024

This statement presents the financial position of Charity Commission for Northern Ireland. It comprises three main components: assets owned or controlled; liabilities owed to other bodies; and equity, the remaining value of the entity.

	Notes	2024 £	2023 £
Non-current assets:			
Property, plant and equipment	6	6,527	10,497
Leased Assets	6	47,380	46,906
Intangible assets	7	494,780	589,388
Total non-current assets		548,687	646,791
Current assets:			
Trade and other receivables	9	4,557	22,469
Cash and cash equivalents	10	53,661	10,636
Total current assets		58,218	33,105
Total assets		606,905	679,896
Current liabilities			
Trade and other payables	11	(239,435)	(239,553)
Provisions	12	(3,232)	(71,184)
Lease liability	13	(37,910)	(37,642)
Total current liabilities		(280,577)	(348,379)
Total assets less current liabilities		326,328	331,517
Taxpayers' equity			
Revaluation reserve		88,629	85,127
General reserve		237,699	246,390
Total equity		326,328	331,517

The financial statements on pages 86 to 102 were approved by the Board on 24 June 2024 and were signed on its behalf by:

A handwritten signature in black ink, appearing to read 'Frances McCandless', written over a light blue horizontal line.

Frances McCandless
Chief Executive
Charity Commission for
Northern Ireland

A handwritten signature in black ink, appearing to read 'Gerard McCurdy', written over a light blue horizontal line.

Gerard McCurdy
Chief Commissioner
Charity Commission for
Northern Ireland

9. Statement of Cash Flows

for the year ended 31 March 2024

The Statement of Cash Flows shows the changes in cash and cash equivalents of the Charity Commission for Northern Ireland during the reporting period. The statement shows how the Commission generates and uses cash and cash equivalents by classifying cash flows as operating, investing and financing activities. The amount of net cash flows arising from operating activities is a key indicator of service costs and the extent to which these operations are funded by way of income from the recipients of services provided by the Commission. Investing Activities represent the extent to which cash outflows have been made for resources which are intended to contribute to the Charity Commission for Northern Ireland's future public service delivery.

	Notes	2023-24 £	2022-23 £
Cash flows from operating activities			
Net Operating Expenditure		(2,097,653)	(2,056,877)
Adjustments for non-cash transactions	3	161,391	142,650
(Increase)/decrease in trade and other receivables		17,912	(478)
Increase in trade and other payables		31,682	45,513
Use of provisions		(65,888)	0
Adjustments to net operating expenditure		(3)	(1)
Net cash outflow from operating activities		(1,952,559)	(1,869,193)
Cash flows from investing activities			
Lease payment	13	(90)	(712)
Purchase of intangible assets	7	(23,400)	(40,181)
Decrease in capital payables		(31,800)	34,920
(Increase)/decrease in investing receivables		0	(9,500)
Net cash outflow from investing activities		(55,290)	(15,473)
Cash flows from financing activities			
Repayment of lease	13	(37,910)	(37,288)
Grants from DfC		2,088,784	1,860,947
Net Financing		2,050,874	1,823,659
Net (decrease)/increase in cash and cash equivalents in the period		43,025	(61,007)
Cash and cash equivalents at the beginning of the period		10,636	71,643
Cash and cash equivalents at the end of the period	10	53,661	10,636

The notes on pages 86 to 102 form part of these accounts.

10. Statement of Changes in Taxpayers' Equity

for the year ended 31 March 2024

This statement shows the movement in the year on the different reserves held by the Charity Commission for Northern Ireland. The Revaluation Reserve reflects the change in asset values that have not been recognised as income or expenditure. The General Reserve represents the total assets less liabilities, to the extent that the total is not represented by other reserves and financing items.

	General Reserve	Revaluation Reserve	Taxpayers' Equity
	£	£	£
Balance at 31 March 2022	442,218	65,146	507,364
Grants from sponsor department - DfC	1,860,947	-	1,860,947
Comprehensive net expenditure for the year	(2,056,877)	-	(2,056,877)
Revaluation gains and losses	102	19,981	20,083
Balance at 31 March 2023	246,390	85,127	331,517
Restatement of Lease	178	0	178
Grants from sponsor department - DfC	2,088,784	-	2,088,784
Comprehensive net expenditure for the year	(2,097,653)	-	(2,097,653)
Revaluation gains and losses	-	3,502	3,502
Balance at 31 March 2024	237,699	88,629	326,328

The notes on pages 86 to 102 form part of these accounts.

11. Notes to the accounts of the Charity Commission for Northern Ireland

1. Statement of accounting policies

These financial statements have been prepared in accordance with the 2023-24 Government Financial Reporting Manual (FReM) issued by Department of Finance. 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 the Charity Commission for Northern Ireland for the purpose of giving a true and fair view has been selected. The particular policies adopted by the Charity Commission for Northern Ireland are described below. They have been applied consistently in dealing with items that are considered material to the accounts.

Without limiting the information given, the financial statements meet the accounting and disclosure requirements of the Companies Act 2006 and of the accounting standards issued or adopted by the Accounting Standards Board, so far as those requirements are appropriate. The accounts direction is reproduced as an appendix to these financial statements.

1.1 Accounting convention

The financial statements have been prepared under the historical cost convention modified to account for the revaluation of fixed assets, at their value to the Charity Commission for Northern Ireland by reference to their current costs.

1.2 Financing

In accordance with the amendments to FReM, Grant-in-Aid has been treated as Financing and had been credited directly to the general reserve. Capital Grant-in-Aid has been credited to the general reserve.

1.3 Property, plant and equipment

Expenditure on property, plant and equipment of £1,500 or more is capitalised. On initial recognition, assets are measured at cost including any costs attributable to bringing them into working condition. Individual assets may be grouped together where deemed significant.

1.4 Intangible assets

Expenditure on intangible assets, which are primarily the Commission's database, CRM system and the online annual reporting application and the associated costs of implementation, are capitalised where the cost is £1,500 or more.

1.5 Depreciation

Non-current assets, with the exception of leased assets, are depreciated on a straight-line basis in order to write off the cost, less estimated residual value of each asset over its expected useful life at the following rates.

Furniture, fixtures and fittings.....	20% per annum
Equipment.....	25% per annum
Information technology.....	25% per annum
Charity Commission Online Services .	10-17% per annum
CRM system	10% per annum
Leased equipment.....	Period of Lease
Buildings under lease.....	Period of Lease
Leasehold improvements.....	Period of Lease

1.6 Leasing and hire purchase commitments

Assets obtained under hire purchase contracts are capitalised as non-current assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in current liabilities net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Statement of Comprehensive Net Expenditure so as to produce constant periodic rates of charge on the net obligations outstanding in each period.

Right-of-use assets obtained under lease agreements are capitalised as non-current assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in current liabilities. The right-of-use asset, and the lease liability is initially measured at the present value of unavoidable future lease payments, together with both (i) periods covered by an option to extend the lease if it is reasonably certain to exercise that option; and (ii) periods covered by an option to terminate the lease if it is reasonably certain to exercise that option.

1.7 Impairments

The value of non-current assets is reviewed at the end of each full financial year after acquisition for evidence of reduction in value. Where impairment is identified that is attributable to the clear consumption of economic benefit, the loss is charged to the statement of comprehensive net expenditure. Impairment reviews will also take place in other periods if events or changes in circumstances occur which indicate that the carrying values may not be recoverable.

1.8 Foreign currencies

There were no foreign currencies purchased during 2023-24. Any monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange prevailing at the accounting date. Transactions in foreign currencies are recorded at the date of the transactions. Translation differences are dealt with in the statement of comprehensive net expenditure.

1.9 Value added tax

All items in these financial statements are inclusive of VAT, which is not recoverable.

1.10 Staff costs

Under IAS 19 Employee Benefits legislation, all staff costs must be recorded as an expense as soon as the organisation is obligated to pay them. This includes the cost of any untaken leave as at the year end. The cost of untaken leave has been determined using data from electronic leave records.

1.11 Pensions

Past and present employees are covered by the provisions of the Principal Civil Service Pensions Scheme (Northern Ireland) (PCSPS) (NI). Detailed information on pensions can be found in the Remuneration Report and in the notes to the accounts.

1.12 Accounting estimates

As a result of uncertainties in some business activities, some items in the financial statements cannot be measured with precision and can only be estimated, these include estimates for the useful lives of intangible assets and provisions. Where estimates have been required on order to prepare

these financial statements in conformity with FReM, management have used judgements based on the latest available, reliable information. Management continually review estimates to take into account of any changes in the circumstances on which the estimate was based or as a result of new information.

1.13 Financial instruments

The Commission does not hold any complex financial instruments. The only financial instruments in the accounts are receivables and payables. Receivables are recognised initially at fair value less a provision for impairment. A provision for impairment is made when there is evidence that the Commission will be unable to collect an amount due in accordance with agreed terms. Financial assets and liabilities are generated by operational activities and are not held to handle the risk profile facing the Commission in undertaking its operations.

1.14 Analysis of net expenditure by segment

The Charity Commission for Northern Ireland has one purpose, and as such is considered to have only one operating segment. All income, expenditure, assets and liabilities relate to the Commission's sole activity.

1.15 Accounting standards, interpretations and amendments to published standards adopted to the year ended 31 March 2024

IFRS 16 Leases replaced IAS 17 Leases and is effective with EU adoption from 1 January 2019. In line with the requirements of the FReM, IFRS 16 was implemented, as interpreted and adapted for the public sector, with effect from 1 April 2022. The Commission held an operating lease at 31 March 2022 for the premises it occupies, which has been assessed in accordance with the requirements of IAS 17, which is subject to the requirements in paragraph 28 of IAS 8. The Commission applied IFRS 16 to contracts that were previously identified as leases applying IAS 17. The lease was originally due to expire on 30 June 2024, however this has been extended to 30 June 2025. From 1 April 2022 the Commission recognised the cumulative effect of initially applying the asset, representing its right to use the underlying leased asset and a lease liability, and representing its obligations to make lease payments. The Commission has measured the right to use asset at an amount equal to the lease liability, adjusted by the amount of a prepaid lease payment relating to the lease recognised in the statement of financial position immediately before the date of initial application. The lease liability will

be discounted using the HM Treasury discount rate promulgated in PES papers as the incremental borrowing rate. Upon transition from IAS 17, in accordance with FReM the Commission has recognised the cumulative effect of initially applying the Standard at the date of initial application as an adjustment to the opening balance of taxpayers' equity.

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

The Commission has reviewed the standards, interpretations and amendments to published standards that became effective during 2023-24 and which are relevant to its operations. In terms of International Financial Reporting Standard (IFRS) 17 there will likely be no impact on the Commission. For IFRS 18, this will impact in the future, but it is currently unclear as to when this standard will be effective for the public sector. The Commission anticipates that the adoption of these standards will have no material impact on the Commission's financial position or results of operations.

1.17 General reserve

The general reserves of the Commission represent the net of its total assets and total liabilities at the Statement of Financial Position date. The non-current assets of the Commission have been funded through Grant-in-Aid and capitalised in accordance with the policies set out under notes 1.3 and 1.4. The current assets and liabilities are a result of receivables, cash and payables arising due to the timing of invoices received and payments made as at 31 March 2024. The reserves of the Commission are non-distributable.

1.18 Revaluation reserve

All property, plant and equipment and intangible assets are carried at fair value and any revaluation of assets are taken to the Revaluation reserve. The Commission's owned assets are re-valued annually on the basis of appropriate indices from the Office for National Statistics. The Commission's Right-of-use assets are carried at fair value and are valued in accordance with the terms of the lease, which requires a review of lease payments.

1.19 Provisions

The Commission makes provision for liabilities and charges where, at the Statement of Financial Position date, a legal or constructive liability exists (that is a present obligation from past events), where the transfer of economic benefits is probable, and a reasonable estimate can be made. IAS 37 requires that where the effect of the time value of money is material the amount of a provision should be the present value of the expenditures expected to be required to settle the obligation. Where cash flows have been adjusted for risk, the standard requires the use of a risk-free discount rate.

2. Staff costs

	2023-24	2022-23
	£	£
Wages and salaries	1,091,180	1,027,548
Social security costs	101,567	100,246
Other pension costs	277,995	293,625
	1,470,742	1,421,419

A breakdown of the above costs into permanent staff and others can be found in the staff report within the *Accountability Report*.

Commissioners' costs comprise:

	2023-24			2022-23
	Permanently employed staff	Others	Total	Total
	£	£	£	£
Commissioners' remuneration	78,110	-	78,110	63,784
Social Security costs	4,393	-	4,393	2,916
	82,503	-	82,503	66,700

In addition to their salary, subsequent to the High Court ruling, Commissioners are paid a fee for attendance at Schedule 1 Committee meetings to make statutory decisions. In 2023-24 Commissioners were required to work additional days over and above their contracted days, excluding Schedule 1 Committee work, therefore additional remuneration was paid to them for this work. The costs above include the total remuneration received throughout the year.

3. Other operating expenditure

	2023-24	2022-23
	£	£
Rent and service charges	1,992	3,128
Rates	17,114	18,761
Security	9,388	9,156
Maintenance and repairs	17,473	10,621
Cleaning	8,350	6,875
Telephone and postage	26,467	26,691
Heat, light and power	41,888	35,160
IT network support	11,070	14,926
Stationery and consumables	1,582	1,632
Publicity, printing and advertising	1,075	1,115
Staff/Commissioners' training	19,400	19,683
Travel and subsistence	5,660	3,421
Recruitment costs	22,724	26,190
Events and hospitality	2,090	6,649
Legal and professional fees	139,362	116,476
Miscellaneous expenses	3	20
Membership and licence fees	9,912	13,359
Charity digital services maintenance	36,678	46,648
Minor equipment	616	5,177
Communication and research costs	10,173	60,420
Total	383,017	426,108
Non-Cash items:		
Loss on disposal of assets	-	-
Depreciation and amortisation	163,365	120,754
Provision expense	(2,064)	21,184
Unwinding of lease discount	90	712
Total	161,391	142,650

4. Notional Costs

	2023-24	2022-23
Notional costs incurred during the year relate to:	£	£
NIAO audit fee	25,700	14,000
Internal audit fee	14,740	14,200
	40,440	28,200

During the year the Commission did not purchase any non-audit services from its auditor, the Northern Ireland Audit Office, and the notional cost above relates to the audit of the financial statements.

5. Other operating income

The Commission had no other income during the year. (2023-24: £0).

6. Property, plant and equipment

2023-24	Buildings	Furniture & fittings	Information technology	Total
	£	£	£	£
Cost or valuation				
At 01 April 2023	84,431	4,667	26,244	115,342
Restatement of Lease	799			799
Additions	37,910	-	-	37,910
Disposals	-	-	-	-
Revaluations	-	169	100	269
At 31 March 2024	123,140	4,836	26,344	154,320
Depreciation				
At 31 March 2023	37,525	3,656	16,758	57,939
Restatement of Lease	350			350
Charged in year	37,885	466	3,574	41,925
Disposals	-	-	-	-
Revaluations	-	140	59	199
At 31 March 2024	75,760	4,262	20,391	100,413
Carrying amount at 31 March 2024	47,380	574	5,953	53,907
Carrying amount at 31 March 2023	46,906	1,011	9,486	57,403
Asset Financing:				
Owned	-	574	5,953	6,527
Right of Use	47,380	-	-	47,380
Carrying amount at 31 March 2024	47,380	574	5,953	53,907
2022-23				
	Buildings	Furniture & fittings	Information technology	Total
	£	£	£	£
Cost or valuation				
At 01 April 2022 (restated)	-	4,273	28,324	32,597
Restate balance 1 April 2022	84,431	-	-	84,431
Additions	-	-	-	-
Disposals	-	-	(2,558)	(2,558)
Revaluations	-	394	478	872
At 31 March 2023	84,431	4,667	26,244	115,342
Depreciation				
At 31 March 2022	-	2,492	15,697	18,189
Charged in year	37,525	855	3,458	41,838
Disposals	-	-	(2,558)	(2,558)
Revaluations	-	309	161	470
At 31 March 2023	37,525	3,656	16,758	57,939
Carrying amount at 31 March 2023	46,906	1,011	9,486	57,403
Carrying amount at 31 March 2022	-	1,781	12,627	14,408
Asset Financing:				
Owned	-	1,010	9,487	10,497
Right of Use	46,906	-	-	46,906
Carrying amount at 31 March 2023	46,906	1,010	9,487	57,403

The Commission owns all assets, except for buildings which is capitalised as a right-of-use asset.

The Commission's owned assets are re-valued annually on the basis of appropriate indices from the Office for National Statistics. The Commission's right-of-use assets are carried at fair value and are valued in accordance with the terms of the lease.

7. Intangible assets

Intangible assets represent the integrated IT system in the Commission to facilitate the registration and regulation of charities. The integrated IT system comprises:

- the Commission's charity registration database
- a Customer Relationship Management (CRM) software package
- a website
- an online application for submitting annual returns and the associated costs of implementation.

Online Systems (OLS)

OLS encompasses the previous intangible categories of database and annual return. The Commission's online charity register system was brought into use in June 2011. A number of important enhancements were subsequently made to the suite of online services available to the charity sector. Updates improve the level of functionality available to registered charities in Northern Ireland, to those organisations applying to register as a charity and others viewing their information published on the Commission's website. The charity register has been variously updated to reflect annual reporting regulations, requirements in particular for submission of annual monitoring returns during reporting periods, and the associated financial statuses a charity can acquire. Additions were made in relation to required changes to the charity register display in response to the Court of Appeal judgment in February 2020. Further changes were made to the charity register display in year because of the Charities Act (Northern Ireland) 2022. At 31 March 2024, development work is underway to design a more risk-based approach to regulation involving the refinement of existing information flows in the OLS. These development costs have not been amortised.

CRM

CRM was initially configured to manage registration workflows and this element of the software package has been operational since 2014-15. Further development of CRM was undertaken to allow other workflows to be incorporated into the software package and has been operational since 2015-16. A fourth phase of CRM development was undertaken, providing further functionality covering administration of use of powers and upgrading the software version used. This allows internal departments to fully record and report on these functions.

Website

Initial work was commenced during 2023-24 to redesign the Commission's website in line with recommendation 19 of the Independent Review of Charity Registration. This project will continue during 2024/25 with updating of online guidance and completion of user acceptance testing before a formal launch.

2023-24	OLS operational £	OLS in development £	CRM operational £	CRM in development £	Total £
Cost or valuation					
At 1 April 2023	699,369	160,520	466,088	-	1,325,977
Additions	20,280	3,120	-	-	23,400
Reclassification	111,334	(111,334)	-	-	-
Revaluation	4,397	-	3,276	-	7,673
At 31 March 2024	835,380	52,306	469,364	0	1,357,050
Amortisation					
At 1 April 2023	437,252	-	299,337	-	736,589
Charged in year	74,833	-	46,607	-	121,440
Revaluation	1,809	-	2,432	-	4,241
At 31 March 2024	513,894	-	348,376	-	862,270
Carrying amount at 31 March 2024	321,486	52,306	120,988	0	494,780
Carrying amount at 31 March 2023	262,117	160,520	166,751	0	589,388
Asset Financing:					
Owned	321,486	52,306	120,988	-	494,780
Right of Use	-	-	-	-	-
Carrying amount at 31 March 2024	321,486	52,306	120,988	0	494,780
2022-23	OLS operational £	OLS in development £	CRM operational £	CRM in development £	Total £
Cost or valuation					
At 1 April 2022	521,411	281,689	376,260	70,364	1,249,724
Additions	5,261	34,920	-	-	40,181
Reclassification	157,549	(161,449)	74,264	(70,364)	0
Revaluation	15,148	5,360	15,564	-	36,072
At 31 March 2023	699,369	160,520	466,088	0	1,325,977
Amortisation					
At 1 April 2022	390,436	-	250,846	-	641,282
Charged in year	40,421	-	38,495	-	78,916
Revaluation	6,395	-	9,996	-	16,391
At 31 March 2023	437,252	-	299,337	-	736,589
Carrying amount at 31 March 2023	262,117	160,520	166,751	0	589,388
Carrying amount at 31 March 2022	130,975	281,689	125,414	70,364	608,442
Asset Financing:					
Owned	262,117	160,520	166,751	-	589,388
Right of Use	-	-	-	-	-
Carrying amount at 31 March 2023	262,117	160,520	166,751	0	589,388

The Commission's intangible assets are re-valued annually on the basis of appropriate indices from the Office for National Statistics.

8. Financial instruments

As the cash requirements of the Commission are met through Grant-in-Aid provided by the Department for Communities, financial instruments play a more limited role in creating and managing risk than would apply to a non-public sector body. The majority of financial instruments relate to contracts to buy non-financial items in line with the Commission's expected purchase and usage requirements and the Commission is therefore exposed to little credit, liquidity or market risk.

9. Trade and other receivables

	2024	2023
	£	£
Amounts falling due within one year:		
Prepayments and accrued income	4,557	21,769
Other receivables	0	700
	4,557	22,469

10. Cash and cash equivalents

	2024	2023
	£	£
Balance at 1 April	10,636	71,643
Net change in cash and cash equivalent balances	43,025	(61,007)
Balance at 31 March	53,661	10,636

The following balances at 31 March were held at:

Commercial banks and cash in hand	53,661	10,636
Balance at 31 March	53,661	10,636

11. Trade and other payables

	2024	2023
Amounts falling due within one year:	£	£
Trade payables	388	36,291
Capital payables	3,120	34,920
Pension	0	11,019
Accruals and deferred income	235,927	157,323
	239,435	239,553

11.1 Public sector payment policy – measure of compliance

The Department requires that the Commission pays its non-Commission trade creditors in accordance with the Account NI Prompt Payment Code and Government Accounting Rules. The Commission payment policy is consistent with the Accounts NI Prompt Payment Codes and Government Accounting rules and its measure of compliance for invoices paid 1 April 2023 to 31 March 2024.

	2023-24		2022-23	
Total invoices in accounting period	504		480	
Invoices paid within 10 days	499	99%	472	98.3%
Invoices paid 11 - 30 days	5	1%	8	1.7%
Invoices paid over 30 days	0	0%	0	0%

12. Provision for liabilities and charges

	2024	2023
	Legal	Legal
	Costs	Costs
	£	£
Balance at 1 April	71,184	50,000
Provided in the year	-	21,184
Provisions not required written back	(2,064)	-
Provisions utilised in the year	(65,888)	-
Balance at 31 March	3,232	71,184

Analysis of expected timing of discounted flows

	2024	2023
	Legal	Legal
	Costs	Costs
	£	£
Less than one year	3,232	71,184
Greater than one year	-	-
Balance at 31 March	3,232	71,184

At the year-end an amount has been provided for in the accounts in relation to a Charity tribunal appeal. The Commission anticipates this will be settled in the next financial year.

13. Leases

The Commission held a lease at 31 March 2023 for the premises it occupies, which was previously assessed in accordance with the requirements of IAS 17. The Commission applied IFRS 16 to contracts that were previously identified as leases applying IAS 17.

13.1 Quantitative disclosures around right-of-use-assets

2023-24	Buildings	Total
	£	£
Right-of-use-asset		
As at 1 April 2023 (restated)	47,355	47,355
Additions	37,910	37,910
Depreciation expense	(37,885)	(37,885)
Balance at 31 March 2024	47,380	47,380

13.2 Quantitative disclosures around lease liabilities

	2024	2023
		Restated
	£	£
Buildings		
Not later than one year	38,000	38,000
Later than one year and not later than five years	-	-
Later than five years	-	-
Less interest element	(90)	(90)
Present value of obligations	37,910	37,910

13.3 Quantitative disclosures around cash outflow for leases

	2024	2023
	£	£
Total cash outflow for lease	38,000	38,000

14. Capital commitments

The Charity Commission for Northern Ireland had Capital commitments relating to Intangible Assets of £25,920 at 31 March 2024 (2022-23: Nil) which are not otherwise included in these accounts.

15. Contingent liabilities

The Commission was served two High Court writs claiming damages for unlawful actions taken by staff on 19 January 2022. Legal opinion is awaited and thus this has been recorded as a contingent liability as no amount can be reliably estimated at this time. (2022-23: £nil).

16. Related party transactions

The Charity Commission for Northern Ireland is a non-departmental public body (NDPB) sponsored by the Department for Communities.

The Department for Communities is regarded as a related party. During the year the Commission had a number of material transactions with the department, including receipt of grant in aid of £2,088,784 (2022-23: £1,860,947).

In addition, the Commission had a number of transactions with other government departments and other central government bodies.

None of the Commissioners undertook any material transactions with the Commission in the financial year.

17. Events after the reporting period

There were no events after the reporting period, as defined by IAS 10, between the statement of financial position date and the date the accounts were signed.

The Accounting Officer authorised the issue of these financial statements on 01 July 2024.

ACCOUNTS DIRECTION GIVEN BY THE DEPARTMENT FOR COMMUNITIES, WITH THE APPROVAL OF THE DEPARTMENT OF FINANCE, IN ACCORDANCE WITH SCHEDULE 1 SECTION 8(2) OF THE CHARITIES ACT (NI) 2008

- 1.** This direction applies to the Charity Commission for Northern Ireland.
- 2.** Charity Commission for Northern Ireland shall prepare resource accounts for the financial year ended 31 March 2024 and subsequent financial years in compliance with the accounting principles and disclosure requirements of the edition of the Government Financial Reporting Manual issued by HM Treasury ("the FReM") which is in force for the financial year for which the accounts are being prepared, together with any additional disclosure or other requirements as agreed with the department. The accounting policies contained in the Government Financial Reporting Manual apply International Financial Reporting Standards as adapted or interpreted for the public sector context.
- 3.** The accounts shall be prepared so as to:
 - (a) give a true and fair view of the state of affairs at 31 March 2024 and subsequent financial year-ends, and of the income and expenditure, total recognised gains and losses and cash flows for the financial year then ended; and
 - (b) provide disclosure of any material expenditure or income that has not been applied to the purposes intended by the Assembly or material transactions that have not conformed to the authorities which govern them.

Compliance with the requirements of the FReM will, in all but exceptional circumstances, be necessary for the accounts to give a true and fair view. If, in these exceptional circumstances, compliance with the requirements of the FReM is inconsistent with the requirement to give a true and fair view, the requirements of the FReM should be departed from only to the extent necessary to give a true and fair view. In such cases, informed and unbiased judgment should be used to devise an appropriate alternative treatment which should be consistent with both the economic characteristics of the circumstances concerned and the spirit of the FReM. Any material departure from the FReM should be discussed with the Department for Communities and the Department of Finance.

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