

The **Charity**
Commission
for Northern Ireland



Annual report and accounts 2024-25

**The Charity Commission for Northern Ireland
annual report and accounts
for the year ended 31 March 2025**

*Laid before the Northern Ireland Assembly
under the Charities Act (Northern Ireland) 2008
by the Department for Communities
on 11 July 2025*

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 outlines the Commission's vision, objectives and activities during 2024-25. It includes 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



We are very pleased, as Chair and Chief Executive of the Charity Commission for Northern Ireland, to introduce our annual report and accounts for 2024-25.

This has been a busy year for the Commission, marked by both unexpected challenges and significant progress. We are proud of what has been achieved - accomplishments that would not have been possible without our Board of Commissioners, our staff and the charities themselves, along with their vast networks of supporters, partner organisations and volunteers.

At the heart of everything we do are the charities we regulate. We also never lose sight of the people behind them - the trustees, beneficiaries, supporters, volunteers and staff - whose dedication, innovation and resilience has driven meaningful change here in Northern Ireland, nationally and even, for some charities, on a global scale. It is the charities themselves which led us to our vision: *"Well-run and trusted charities making a difference in people's lives."*

To bring that vision to life, we continue to focus on enabling and engaging with charities to support them in understanding and meeting their legal obligations, following best practice and confidently working toward fulfilling their charitable purposes.

This report provides an overview of that work. It includes key facts and figures - for example, the number of new charities registered - and dives deeper into areas of particular interest. For example, for the first time in several years, all registered charities (except for newly registered ones) were required to submit their annual reports and accounts to the Commission during 2024-25. We take a closer look at the filing rates, as well as the communications and support we provided to help charities meet their responsibilities.

As we reflect on the year's activities, we want to express our sincere thanks to our Board of Commissioners and staff. Their continued dedication underpins all the progress and impact captured in this report.

Finally, we acknowledge the vital work of the thousands of charities across Northern Ireland. Many are operating in challenging circumstances yet remain committed to serving communities and making a difference. While we know that regulation can sometimes feel like an added pressure, we hope this report demonstrates our ongoing efforts to support, guide and empower charities, helping ensure they thrive and realise their full potential in the years ahead. As we move into the 2025-26 year, we look forward to continuing to work with charities, in particular as we develop our new Strategic Plan.



Gerry McCurdy
Chief Commissioner



Frances McCandless
Chief Executive

Statement of the Commission's vision, objectives and activities

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 Commission is a non-departmental public body, sponsored by the Department for Communities (DfC). The working relationship between the sponsor department and the Commission is extremely important, requiring close co-operation between both parties. The Commission does, however, exist as an independent regulatory body.

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 2008 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 main objective of the Charities Act (Northern Ireland) 2008 is to introduce an integrated system of registration and regulation as well as support for and supervision of registered charities.

The Commission works to develop 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.

Following publication of the Independent Review of Charity Regulation in January 2022 and the Charities Act (Northern Ireland) 2022, the Commission's focus is on the following strategic aims:

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

To achieve these, the Commission's activities during 2024-25 included the following.

- The ongoing maintenance and population of an accurate and up-to-date public register of charities.
- Identifying and investigating apparent wrongdoing in charities and taking appropriate remedial or protective action.
- Implementing an annual reporting programme for all registered charities, making accounts available to the public.
- Supporting charities in implementing proper governance processes and policies and, where appropriate, providing legal consents for trustees to make changes to their charity.
- Providing a range of guidance and online tools to support charities and those who run them.

The Board and Senior Management Team

The Board



Chief Charity Commissioner, Gerard McCurdy



Deputy Chief Commissioner, Aoife Hamilton (appointed 1 June 2024)



Legal Commissioner, Patricia Kelly



Charity Commissioner, Kieran Donaghy



Charity Commissioner, Alan Hunter



Charity Commissioner, Leanne McCullough (appointed 15 August 2024)



Charity Commissioner, Hugh McKeag

On 6 May 2024, Terence McGonigal stepped down as a Charity Commissioner. The Commission would like to thank Mr McGonigal 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's conflicts of interest policy details how to avoid conflicts of interest and what to do if a conflict of interest occurs when carrying out 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

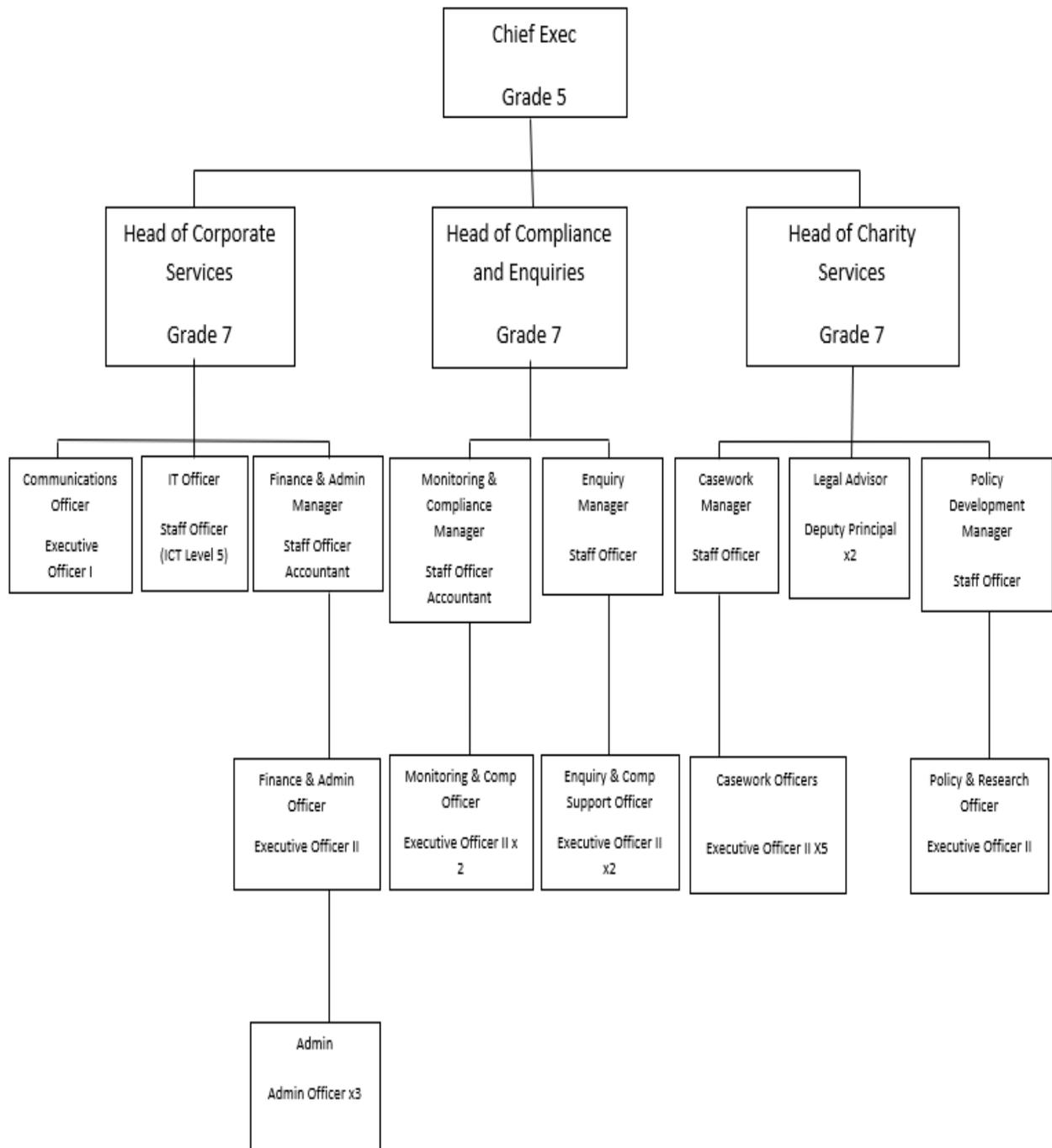


Head of Compliance & Enquiries, Rossa Keown



Head of Corporate Services, Aubrey McCrory

Organisation structure



Highlights from the year

- ✓ **Charity registration tutorial:** In April, the Commission published its updated charity registration video tutorial guiding applicants through the online application, so they know what to expect before they begin.
- ✓ **Blogs:** In April and May, the Commission published blogs on banking challenges some charities are facing and staying on the right side of the law with political campaigning.
- ✓ **New Commissioners:** June saw the appointment of Aoife Hamilton as the new Deputy Chief Commissioner. A few months later, in August, another new face joined the Board with the appointment of Leanne McCullough as a Commissioner.
- ✓ **Deadlines:** The Commission's Head of Compliance and Enquiries, Rossa Keown, joined our list of bloggers in July - urging charities to be prepared for the October and January annual reporting peaks.
- ✓ **Joint communique:** October saw charity regulators from Australia, Canada, England and Wales, Ireland, Northern Ireland, Scotland and Singapore gather for a three-day meeting to discuss matters of mutual interest and concern. A joint communique was issued to keep the public updated on discussions.
- ✓ **Annual public meeting:** Deputy CEO of the Charity Finance Group (CFG), Dr Clare Mills, was guest speaker at the Commission's annual public meeting at the end of January. The event received very positive feedback, with Dr Mills discussing the challenges facing charities in opening and operating bank accounts, the importance of good governance, as well as the work CFG is currently undertaking with banks to help improve the operating environment for charities.
- ✓ **Stakeholder forums:** To raise awareness of the stakeholder forum, during the year the Commission published a short series of video blogs from members, including Tony Clarke (Start360) Louise Little (North Down Community Network), Mary T Conway (Omagh Forum for Rural Associations) and Lisa Keys (Northern Ireland Boys' Brigade).

Key issues and risks

During 2024-25 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 2024-25 Governance Statement details the Commission's risk and control framework along with the seven risks managed and the committee's oversight role.

For further details of these risks, how ratings reduced during the year 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 2024-25, with an interim budget allocation letter received for that year. An indicative budget allocation has been provided by the DfC for 2025-26, and a balanced budget was set by the Board in quarter one. 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

To monitor progress on achieving our vision and objectives, the summary below highlights our delivery against key performance indicators (KPIs). At the end of 2024-25, 88% (7 out of 8) KPIs were delivered. The percentage of enquiry cases concluded within 12 months of receipt of a concern was not achieved by year end due to Schedule 1 committee processes and the challenge of recruiting and training new staff. These pressures were compounded by a flat-lined budget, which the Commission faced like many other public bodies without confirmation until the end of the business year, limiting our ability to plan and respond effectively.

Of the 100 actions set out under the four 2024-25 Business Plan objectives, four fifths (80%) were completed by 31 March 2025. The actions not completed included one which was no longer necessary - *3a) Develop Annual Return Regulations 2024/25 if required* - as the Board decided not to produce 2024-25 regulations. Progressing the remainder of actions was largely impacted by related work within the scope of the sponsor department, which could not be progressed as anticipated due to resourcing and/or competing priorities.

For further information on the Commission's performance during the year, see the *Detailed analysis* section below.

External KPIs

- 201 new applications for charitable status were received, with 75% of applications processed within six months of receiving an application (target: 60%). This rose to 93% processed within six months of receiving a 'complete' application.
- 36% of enquiry cases were processed to closure within 12 months of receiving a concern about a charity (target: 50%).
- 76% of concerns about charities had initial enquiry risk assessment completed within 30 days (target: 60%).
- 153 annual returns filed with the Commission had a basic compliance check (target: 150).
- 60 engagement events undertaken (target:55).

Internal KPIs

- 100% of creditors' invoices paid within 10 working days (target: 90%).
- total budget managed within 99.1% (target: 99%).
- staff absence levels managed within 2.97% (target: 3%).

Impact and service-related indicators

Strategic Aim 1: Progressing charity registration to enhance accountability

The Commission was successful in continuing to prioritise registration. Fewer charities had to wait to register, and more registration applications were processed within the target time. In terms of the Commission's impact this meant more organisations than ever have had their charitable status confirmed, giving greater transparency and building confidence with the public and funders.

In terms of specifics:

- the number of charities we are aware of waiting for registration reduced, with approximately 37 expressions of intent per month received - all being called forward within two months. The total of 440 expressions of intent¹ received was lower compared to 466 in 2023-24.
- 75% of registration applications were processed to recommendation within six months of receiving a complete application compared to 71% the previous year.
- an addition of 176 charities on the register, bringing the total to 7,215
- 414 views of the online registration workshop tutorial.
- 70 post registration closures.
- There weren't any decision reviews completed.

¹(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).

Strategic Aim 2: Developing as an enabling regulator

The Commission was successful in helping charities understand when they needed to provide accounts with more than ever accessing the Commission's online guides to ensure they used the right approach. As a result, at the end of March 2025 the register allowed transparency over charities with combined annual spend of almost £3 billion (£2,957,567,046). In addition, one hundred and thirty-eight charities were able to operate more effectively after the Commission made statutory decisions or administrative functions were carried out. This related, in part, to a combined charitable income of £39,809,427.

Effective, better targeted, communications that enable charities and the public to understand regulation and increase public trust and confidence included the following.

- 507,464 website hits.
- 40,446 page views of the *Register of charities* webpage.
- 22,225 page views of the *Annual reporting* webpage.
- 4,782 page views of the *Registration support* webpage.
- 3,014 page views of the *Running your charity guidance* webpage.
- 1,532 page views of the *Concerns about charities guidance* webpage.
- 13 new and updated pieces of guidance published.
- Information in the *register of charities* website page, including the csv data file export option was accessed by 71,946 users.
- Three helper groups events held.
- Four stakeholder forum meetings.
- 60 engagement events.

Strategic Aim 3: Delivering proportionate regulation

There were a number of impacts this year with changes to guides, and introduction of a new traffic light system for filing status display on the register. Together these developments made it easier to comply with regulatory requirements, leading to a more transparent and accountable sector. Increased transparency on the register increased regulatory oversight and reduced reputational damage for charities.

The four-fold increase in the charities' reporting reflected a large number reporting again, or for the first time following the Charities Act (Northern Ireland) 2022. As a result, the number of sampled accounts in which

issues were identified increased, with the size of the sample much smaller in proportion to previous years as the overall number and proportion filing increased significantly.

- 6,819 annual returns due during the year and 6,426 annual returns received (including early and late filers).
- 4,739 (70%)- annual returns submitted by their deadline.
- 388 (5%) – annual returns received late – within 14 days of their deadline (amber status traffic light display).
- 428 (6%) – annual returns received late – more than 14 days after their deadline (red status traffic light display).
- 1,264 (19%) - charities failed to file their 24/25 annual return by the year end.
- 752 charities in default by more than six months at year end.
- 153 annual returns subject to basic compliance checks. Of these 92 failed the basic compliance check.
- Self-regulatory guidance was issued on 35 occasions outlining how to improve the annual return following a basic compliance check.
- Regulatory guidance was issued on 10 occasions outlining how to improve the annual return for serious issues following a basic compliance check.
- No self-regulatory or regulatory guidance letters were issued in relation to compliance cases.
- 63% of initial compliance assessment undertaken within 30 days.
- No regulatory letters were issued to charities in default by more than six months (see page 25 for more information).
- 10 adverse qualifications (an adverse qualification is when an auditor or independent examiner has provided a modified audit opinion or qualified independent examiner’s report on a charity’s accounts).
- No section 23 orders issued for default cases (section 23 orders are where a charity has been ordered to supply accounts and reports to the Commission).
- No section 65 orders issued (section 65 is an order to a charity to undertake an audit).
- No statutory inquiries opened for default cases.
- 531 emails received to monitoring and compliance email inbox.
- 244 charities submitted a request to change their financial year end.
- 156 concerns about charities received.
- 85 enquiries cases brought before Schedule 1 committee of Commissioners for decisions.

- 76% of concerns about charities received an initial risk assessment within 30 days.
- 36% of enquiry cases were concluded within 12 months of receiving the concern about the charity.
- Regulatory guidance was offered in five instances.
- No statutory inquiries were opened.
- No orders or directions were issued.
- No decisions on complete waiver applications were made.
- 69 SIRs (serious incident reports) received.
- 15 MOMS (matters of material significance) received.
- 85 files received which included safeguarding elements.
- 7,111 telephone/email enquiries were processed by NI Direct and the Commission.
- 13 new and updated pieces of guidance published.
- Three thematic reports published.

Strategic Aim 4: Developing as a properly governed, transparent and independent decision-making regulator

As regards assurance for stakeholders, DfC and the Minister receive high levels of assurance in financial management and governance with an externally facilitated Board review reporting no issues and both Internal and External Audit providing clean audits during the year. Transparency was provided by SMART performance information inside and outside the organisation enabling effective scrutiny, so that delivery can be demonstrated. This included:

- 99.01% budget spend revenue (projected).
- 100% budget spend capital (projected).
- 3 Tribunal and Court challenges.
- No Tribunal decisions appealed to the High Court on a point of law.
- 4 ongoing pieces of litigation.
- No decisions appealed to the Court of Appeal.
- Three complaints about the Commission received.
- 34 information requests were made during the year under freedom of information, data protection or environmental regulations law and 35 were responded to. Of the responses issued, information was disclosed fully or partially in 16 cases, wasn't held in 10 cases and the request was refused in 9 cases.
- No complaints were received about implementation of the Commission's equality scheme.

Detailed analysis

Our purpose is to enable charities to do things right through proportionate regulation, best practice and advice. Our vision is well run and trusted charities making a difference in peoples' lives. We work to achieve this through:

- registration.
- annual reporting.
- enquiries.
- casework.
- engagement and guidance.

The analysis on the following pages provides a deeper insight into our progress. However, one key change, made towards the end of the year, will have important ramifications across all areas of the Commission's work - the new Scheme of Delegation

Scheme of Delegation

On 21 February 2025, the Department for Communities published the new [Scheme of Delegation for the Charity Commission for Northern Ireland](#), following approval from the Minister for Communities, Gordon Lyons MLA.

The Commission has long been supportive of such a scheme, which is expected to improve efficiency in the regulator's decision-making processes.

The Court of Appeal judgment of February 2020 in the case of McKee & Others v Charity Commission for Northern Ireland ruled that all Commission decisions had to be made by Commissioners rather than staff following manuals approved by Commissioners. This ruling significantly changed how the Commission operated.

The seven Commissioners, who are not full time, became responsible for making all casework, enquiries, compliance and registration decisions and orders through a committee (which we now refer to as a Schedule 1 committee). Staff assisted by gathering information and advising Commissioners, but could not make decisions themselves. This led to delays and a reduced volume of decisions being made.

The Charities Act (Northern Ireland) 2022 addressed this by allowing certain decisions to be delegated to staff - once a Scheme of Delegation was drafted, consulted on and approved by the Minister. The publication of the Scheme on 21 February marks the completion of that process.

The Scheme is expected to have a positive impact on the thousands of charities regulated by the Commission.

While internal Commission processes will need to be updated in line with the Scheme, the administrative burden around decision-making within the Commission should be reduced. This, in turn, is expected to speed up decision-making, allowing charities to receive quicker responses to, for example, casework or registration applications.

The Scheme will also empower staff to interact with charity trustees in a different, more efficient and enabling way.

However, the Schedule 1 committee will not be entirely removed.

- Certain decisions relating to investigations into charities will still go through the committee.
- The power to open a statutory inquiry, the Commission's most serious type of investigation, remains a decision for Commissioners only.
- Similarly, decisions on whether or not to publish a statutory inquiry report will be taken by the committee.

Registration

One of the Commission's key strategic priorities is progressing charity registration to strengthen transparency and accountability within the sector.

As of 31 March 2025, there were 7,199 charities listed on the online register of charities.

A public resource, the register of charities allows users to search for a charity and view key details such as trustee information, the charity's activities, areas of operation and - excluding newly registered organisations - their annual reports and financial accounts. This enables members of the public to make informed decisions, whether they are seeking services, considering donations or simply researching how funds are spent.

Beyond offering a quick and accessible way to "check a charity," the register is also a vital source of open data. The insights it provides into the Northern Ireland charity sector create opportunities for innovation and development. This includes uses such as academic research, policy development and the creation of new tools and resources in the public and tech sectors.

The Commission is responsible for maintaining and developing the register, ensuring it reflects changes including new registrations, mergers, closures and name changes. During 2024-25, the Commission received 201 registration applications and made 176 registration decisions.

Case study: Charitable Funds' Trust

The Belfast Health and Social Care Trust 'Charitable Funds' Trust was registered in March 2025, becoming the first Trust of its kind on the *register of charities*.

Its model will help form the template for how other, similarly consolidated charitable funds across the Health and Social Care Trusts prepare for registration.

Registration threshold

The Commission has continued to support the Department for Communities in exploring the potential for a registration threshold. This threshold would set a level below which charities in Northern Ireland would not be required to register with the Commission or submit annual reports and accounts.

Although no threshold has been implemented to date, the Charities Act (Northern Ireland) 2022 gives the Department for Communities the power to introduce one in the future. In summer 2024, the Minister for Communities, Gordon Lyons, launched a 12-week public consultation to gather views on how the regulatory framework might apply to charities falling below such a threshold and opting not to register.

As the regulator, the Commission maintains a neutral position on whether a threshold should be introduced or at what level it should be set. However, Commission staff have worked closely with the Department to assess how a threshold could be implemented in practice and to evaluate its potential impact on the charity sector.

Annual reporting

Once registered, charities are legally required to submit an annual report to the Commission, detailing their finances, resources and activities. This process - referred to as "annual reporting" - includes the submission of annual accounts, a trustees' annual report and an independent examination or audit where applicable. The submitted information is then published on each charity's entry in the online register.

Beyond fulfilling a legal obligation, annual reporting offers charities an important opportunity to demonstrate transparency and communicate their work to the public. It helps build trust, showcase impact and reinforce accountability across the sector.

This year marked a particularly significant milestone for annual reporting, as it was the first time in several years that all registered charities (excluding newly registered organisations) were required to submit their annual reports and accounts.

To support this sector-wide shift, the Commission launched a communications campaign to raise awareness of annual reporting

responsibilities among charities. This included direct communications with charity trustees as well as using channels such as the Commission's monthly newsletter, social media and charity support networks.

In addition, a suite of guidance materials are available on the Commission's website to assist charities in meeting their obligations. These resources include a practical 10-minute guide on completing the annual return and a step-by-step online video tutorial. The new tutorial, published in April 2024, has also been "sliced up" into short sections, enabling charities to view the sections which are relevant to them.

In 2024-25, a total of 6,819 charities were required to submit their annual reports and accounts to the Commission. Of the number due, 4,739 (70%) annual returns were submitted by their deadline.

As a comparison, during the 2023-24 year, 3,037 charities were required to submit their annual reports and accounts to the Commission, of which 2,010 (66%) did so by their deadline date.

At the end of the 2024-25 year, 1,264 charities had not submitted their annual reports and accounts, with 752 of these classified as over six months overdue.

In the final quarter of the year, the Commission undertook a project to address charities with accounts and reports outstanding for six months or more. In the first batch reviewed (which included 184 charities), checks were carried out to see if the charity was still operating or had closed. This involved telephone calls to charity contacts and/or trustees, open source checks, reviewing companies house records and checking funding databases. From that, 37 charities submitted their accounts and reports, 60 charities were identified as closed/no longer operating and the Commission is in correspondence with a further 87 charities to obtain accounts and reports.

Traffic light display

In January 2024, the Commission introduced a new traffic light display on the online *register of charities*. This highlights a charity's annual reporting status immediately - charities that have submitted their annual reports and accounts on time are marked in green, those up to 14 days overdue are marked amber and those more than 14 days overdue appear in red.

During 2024-25, charities that submitted their accounts and reports late to the Commission, included 388 charities that had entered the amber status but filed within the 14-day period. 428 charities that submitted their accounts and reports late, did so after they had entered the red status, submitting documents more than 14 days after their deadline. These charities now display as received x days late.

The display enhances transparency and aims to reduce reputational damage for charities by making it easier for the public, including donors and funders, to quickly assess a charity's reporting compliance. This, in turn, supports more informed decision-making and reinforces the importance of timely reporting across the sector.

Enquiries

As part of its regulatory role, the Commission investigates concerns about charities, assesses serious incident reports and reviews matters of material significance submitted by independent examiners or auditors.

Concerns received range from minor issues - where guidance and self-regulation can help fix things - to the most serious cases that may lead to a statutory inquiry being opened by the Commissioners.

Matters of material significance are specific issues that independent examiners or auditors are required to report to the Commission when identified during a charity's accounts review.

Serious incidents are defined as adverse events - whether actual or alleged - that result in, or risk, significant loss of charitable funds or assets, damage to property, or harm to the charity's work, its beneficiaries, or reputation.

The Commission adopts a risk-based, proportionate approach to its investigatory work. This ensures resources are focused on the highest-risk

issues - those most likely to affect beneficiaries, services or charitable assets - and where the Commission's intervention can make the most meaningful difference.

In total during 2024-25, there were 240 cases received by the enquiries team. This is broken down into:

- Concerns about charities: 156 (47 closed during the year)
- Serious incident reports: 69 (21 closed)
- Matters of material significance: 15 (9 closed)

Case study: a new way of working

The enquiries team issued regulatory guidance to a charity, outlining specific actions required to strengthen governance. However, the trustees found it difficult to implement the necessary changes without more formal support from the Commission's staff.

To help move things forward, the Commission proposed an alternative approach: introducing an experienced mentor from its pool of trustees. This mentor would not take on a formal trustee role but would offer in-depth, tailored support and advice. The charity welcomed this idea.

This marked the first time the regulator had adopted such an enabling approach in a regulatory case. Building strong, trusting relationships was central to the process, with careful consideration given to ensuring the mentor was well-aligned with the charity's mission and existing board.

With the mentor in place, the trustees gained a clearer understanding of their responsibilities and were able to make meaningful improvements to their governance. The approach proved highly effective, significantly enhancing the charity's overall capacity and capability.

Casework

The Commission's casework team manages applications from charity trustees seeking approval to make changes or carry out specific actions or transactions. These important legal processes help ensure that charities are well governed, remain compliant with legal obligations and maintain up-to-date procedures and policies.

During 2024-25, 280 casework applications/notifications were received with 138 of those completed. That included 38 statutory decisions made by Commissioners and 100 administrative functions carried out by staff.

Engaging and enabling: a key focus

A key focus for the Commission in 2024-25 was its continued development as an enabling, engaging and supportive regulator. Central to this work was the implementation of new initiatives and approaches aimed at guiding and empowering charity trustees to comply with their legal duties and, as the Commission's purpose outlines, to "do things right" through proportionate regulation, best practice and informed advice.

Supporting this aim, the Engagement Strategy 2023–2026 sets out how the Commission will actively engage with the charity sector and the public.

Over the year, the Commission participated in 60 engagement events, including its annual public meeting held in January 2025. In addition to updates on the Commission's work and future plans, the annual meeting focused on the challenges facing charities with banking services and the importance of good governance. These events are valuable two-way communications between charities and the regulator. The Commission also met with the Fundraising Regulator, the Charity Commission for England and Wales, the Charities Regulatory Authority, the Office of the Scottish Charity Regulator, the Isle of Man charity regulator and the Financial Conduct Authority to support shared learning opportunities with other regulatory bodies.

Website

Work continued in 2024-25 on improving the Commission's existing website and developing a new site. Central to improving the design and content has been users' experience of the current site, with feedback taken early in the process from staff as well as charities, support groups and professionals. This is a vital step, helping the Commission ensure the new site will meet the needs of those who use it, whether that be a member of the public or a charity trustee looking for advice or to undertake on line transactions.

With the structure of the new website developed, work has been undertaken to refine the functionality and build content before testing and going live (anticipated to be in 2025-26). Development of smartforms relating to casework applications was also progressed.

During the year the Commission's current website had 507,464 website hits – a notable increase on the 440,908 hits recorded for 2023-24. The Commission's X account ended the year with 4,374 followers while the Commission's LinkedIn page had 736 followers.

Guidance and support

The Commission's online library of information and advice for charities, and those who run them, offers over 70 pieces of guidance. Steps are also continuing to improve guidance and online support tools, ensuring the resources are accessible, easy to read and easy to understand, supporting charities in complying with their legal responsibilities and best practice. For example, the Commission published its first, short animation of less than two minutes offering advice for new trustees - or those thinking of taking up a trusteeship.

New, updated online video tutorials for the registration application and the annual reporting form were published, guiding users through the online forms so they would know what to expect in advance. The annual reporting tutorial was published in a full version, as well as in sections.

Reflective of the Commission's communications strategy moving to more accessible and effective ways of communicating, a number of vlogs and blogs were also published, including the following:

- What's up with banks and charities?
- Banking and the importance of keeping your details up to date.
- Charities and political campaigning - staying on the right side of the law.
- Candidates and charities during an election campaign.
- Commission stakeholder forum.
- Charity Fraud Awareness Week 2024.
- An insider view of the Stakeholder Forum.
- Animation: What does being a charity trustee involve?

During 2024-25 the Commission was part of a working group with other regulators focused on updating the Charities Statement of Recommended Practice (SORP). This provides guidance to preparers of charity accounts with recommendations and requirements setting out how to prepare 'true and fair' accounts in accordance with UK accounting standards. The SORP is updated from time to time to take account of changes to accounting standards and/or charity law. The SORP-making body is appointed by the Financial Reporting Council and is ultimately responsible for the SORP and its updating. The SORP-making body is made up of the Charity Commission for England and Wales (CCEW), the Charity Commission for Northern Ireland and the Office of the Scottish Charity Regulator (OSCR), with the Charities Regulator - Republic of Ireland as observer. During the year, representatives from the Commission attended one SORP Committee meeting. On 28 March 2025, the SORP-making body launched a public consultation on the next version of the charities accounting and reporting framework.

Stakeholder engagement and support

The Stakeholder Forum provides an important channel through which the charity sector can engage directly with the Commission on key issues and priorities affecting both the sector and charity regulation. It also plays an ongoing role in ensuring that the views of the sector inform the development of the Commission's work as an enabling regulator.

To ensure a broad range of perspectives, the forum's 20 members have been selected from across the sector, representing diversity in terms of organisation size, income, geographic location and the beneficiaries they support.

Tony Clarke, Chair of the charity, Start360, has been a member of the forum since 2021. He shared his experience in a blog during the year: *“The forum is great, each meeting brings a discussion around the challenges charities are facing as well as a presentation from Commission staff to keep us updated – it really feels like we are part of the Commission’s development process. It is also clear, from my experience at the meetings, that our comments and suggestions are listened to and valued by the Commission.”*

The forum met four times during the year, offering valuable feedback to the Commission on various areas including the tone of its communications, the design of a new website and recent developments in charity regulation. Now in its third year, the forum also undertook a review of its work with the assistance of a facilitator from NICVA (Northern Ireland Council for Voluntary Action).

In addition to the forum, the network of 23 helper groups continues to be a key source of independent support for charities. These groups work closely with the Commission to assist organisations preparing for registration or completing their annual returns.

The helper groups also reviewed their activities during the year. As part of this process, the Chief Executive is meeting individually with each group; nine meetings took place in 2024-25. The Commission has acted on 30 follow-up actions arising from these reviews and meetings. This has included asking the Funders Forum how many of their members only fund registered charities, creating a flowchart of key steps for charities moving from being unincorporated to incorporated and updating contact details for a range of organisations. Members of the helper groups also participated in a general refresher session and received training on how the Commission handles concerns raised about charities.

As part of their engagement work, Commissioners and staff visited a number of charities to get a feel for their work and achievements, as well as the challenges they are facing. This included visits to Choice Housing, Arts and Business NI with Replay Theatre Company and the Cancer Fund for Children’s Daisy Lodge.

Supporting charities with banking challenges

The Commission continued during 2024-25 to work collaboratively with other UK charity regulators and sector partners such as NICVA, UK Finance and the Charity Finance Group to address persistent issues faced by charities in accessing and managing banking services. The project involved:

- five meetings of the charity sector banking group.
- three meetings chaired by the Charity Finance Group and including representatives of the sector, UK Finance and a range of banks.

In December 2024 the Commission welcomed the findings of the charity banking challenges 2024 report, based on a survey UK wide survey. The Charity Finance Group continues to follow up on the recommendations of the survey.

An effective and efficient public body

In 2024-25, the organisation demonstrated strong capacity to manage change, transforming aspects of the NI Direct call handling service and key guidance, while maintaining delivery of core functions. High-level assurances on governance continued with internal and external audit reviews reflecting sound financial management and compliance confirming that risk and control frameworks remain robust, see Corporate Governance Report.

During the year work was also completed on future accommodation options for the Commission, after a review of its accommodation needs.

The year concluded with the staff survey results, which showed sustained high engagement levels, with improvements in training and development and reward, reinforcing the organisation's resilience and commitment to continuous improvement.

The Commission has also been working with the Department for Communities on a new Charities Bill which will introduce legislative amendments to the Charities Act (Northern Ireland) 2008. These include, but are not limited to, changes to section 167 of the Act and to accounting and reporting requirements. It is anticipated the changes will make a positive difference to charities and the work of the Commission.

ICT is another area of ongoing development for the regulator and the Commission has an ICT strategy covering 2023 to 2026. This development has included, for example, automation of several manual reports and processes (monthly reports, system integration). Work has also been undertaken to enhance several functional areas by refining workflows, applying changes and fixing issues (registration, legal, enquiries, concerns smart form) and continued service improvement of all applications.

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 two charities. 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 2025, 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 all of which have now been completed at year end.

Independent Review of Charity Regulation

The Minister for Communities commissioned an Independent Review 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 with 109 related actions to improve the delivery of services and the operation of the regulatory framework going forward. Fifty-two recommendations with 63 related actions were for the Commission to progress itself, with 19 recommendations (and 20 related actions) requiring joint Commission and DfC working, the remaining 22 were for others to progress.

During the 2024-25 year, 13 actions related to progressing six Independent Review recommendations, were completed. A further 22 actions, relating to 19 recommendations, were mainstreamed. When added to previous years' activities this is a total of 37 recommendations specifically for the Commission which have been completed or mainstreamed by the Commission. In addition, the Commission played its part in a total of 8 of the joint recommendations being addressed by year end.

Financial Performance

Budget

The Commission has a key performance indicator of achieving a budget spend within 99% of overall budget, which for 2024-25 was set at £1,909,000. The resource budget was £1,859,000 and the capital budget was £50,000.

During 2024-25, the Commission reported a 99.01% total spend, broken down as 99.01% of resource budget and 99.11% of capital budget.

Statement of Comprehensive Net Expenditure

Total expenditure for the year excluding asset revaluations has decreased by £91K from £2,098K to £2,007K. This is mainly due to a decrease in legal costs and premises costs compared to the previous year.

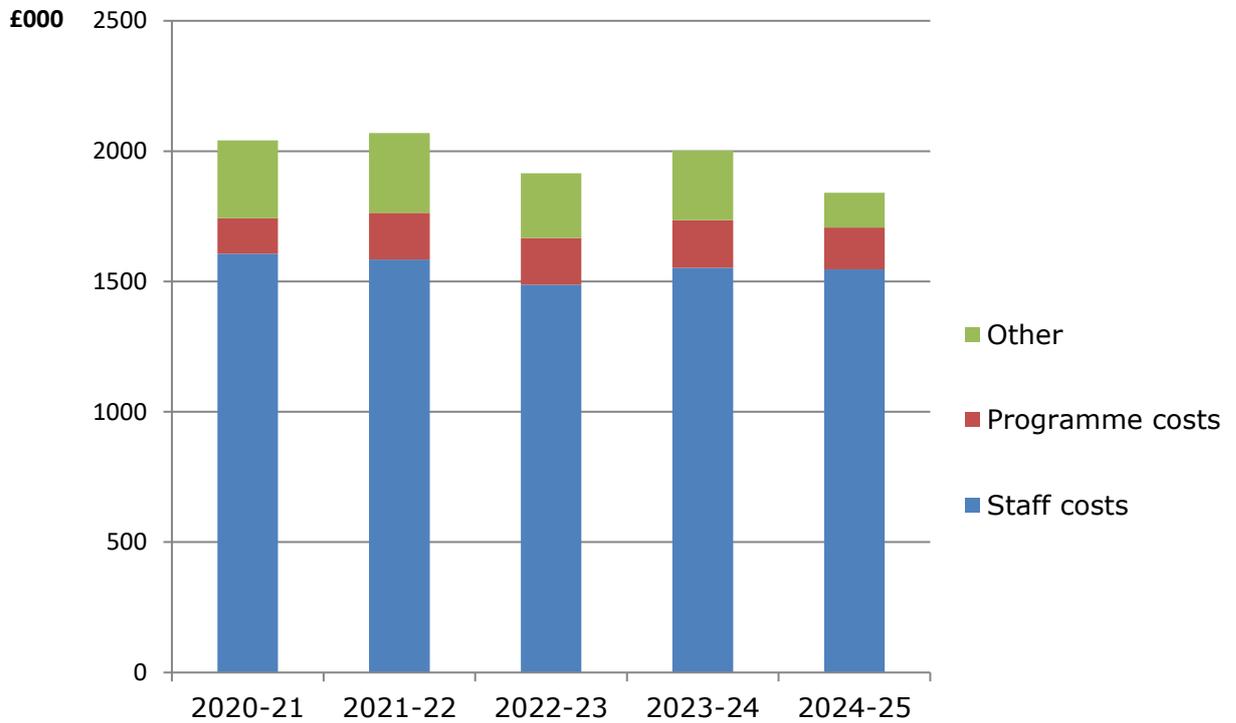
Statement of Financial Position

Non-current assets at the year-end were £433K, a decrease of £115K on 2023-24. The balance of Trade and other payables at year end were £153K, a decrease of £87K on 2023-24, due to a decrease in accruals at year end.

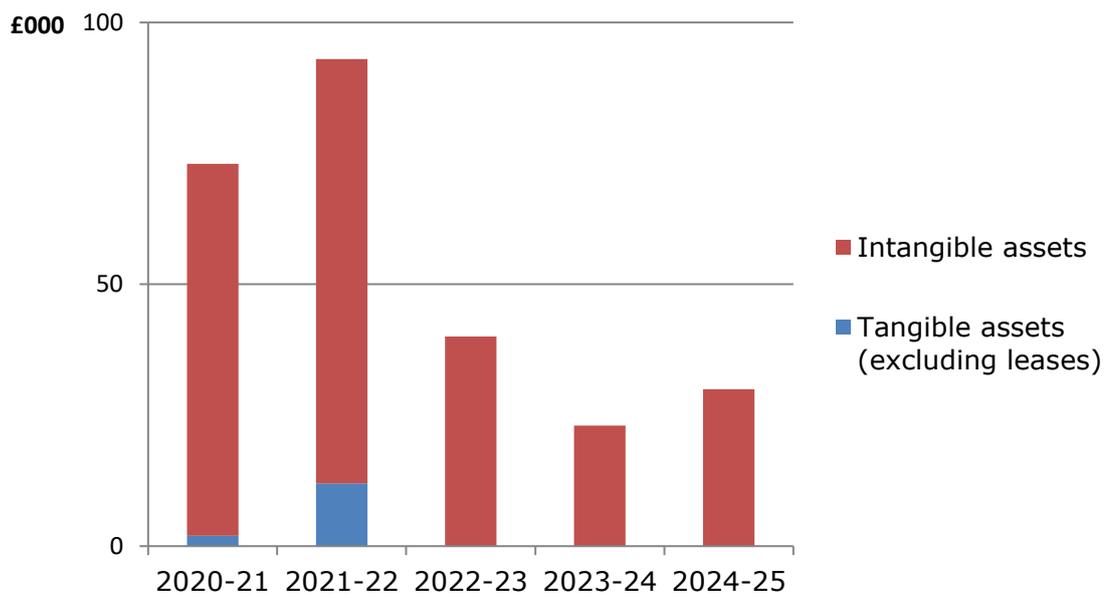
Financial results and position are set out in detail in the financial statements at page 84 and page 85 respectively.

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's complaints policy, which details how to submit a complaint about service and how the Commission deals with such complaints, is published in the *About us* section of charitycommissionni.org.uk.

During 2024-25, the Commission received three complaints, one of which was withdrawn and one of which was informally resolved. The third complaint involved consideration of three issues, two of which were found to be ineligible and the third issue was not upheld.

Complaints and outcomes are reported regularly to the Board. The monitoring of complaints is an important part of quality assurance, providing a way for any common issues or trends to be identified and resolved. It also allows the Commission to determine how successfully it has dealt with the complaints.

The Commission is committed to continuous development, with complaints providing a way for people to share their views with us and, where appropriate, for lessons to be learned.

Sustainability

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

Open Data

The Commission shares 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.

Equality and diversity

The Commission's *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 2024-25, 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, delivered by Disability Action on 15 October 2024.
- The Equality Commission's Equality Manager for the Public Sector met with the Board of the Commission to discuss how the Commission delivers on its equality scheme and any improvements we could make. Agreed several actions including publishing a link on the Commission's website to the Unified Guide on promoting equal opportunities, for charities that are employers.
- Planning a future joint training session for charities.

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

3. Future focus

In the coming year the Commission will continue to deliver charity regulation and also develop services. The new website and online forms which aim to make things easier for charities will be made available. There will be a focus on assisting sponsor department with the new legislative programme. Work will continue on developing and implementing a risk framework to be reflected in decision making. Other activities such as engagements and surveys of users to gather feedback where we can, will be progressed.

This will be the second year of compulsory annual reporting for everyone. Arrangements will be made to take forward a threshold following any Ministerial decision. Implementing this and the new scheme of delegation will be a major challenge, but they present an opportunity to create efficiency gains and better value for money.



Frances McCandless
Chief Executive, Charity Commission for Northern Ireland
Date: 23 June 2025

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 2024-25, the Commission contacted the Information Commissioner's Office (ICO) regarding a data incident and acted on advice. Changes were made to existing processes and training provided. 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.

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 2024-25

Introduction

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

In this statement, the Board and Accounting Officer outline how they have discharged their responsibilities to manage and control the Commission's resources throughout the financial year ended 31 March 2025. It is for the Accounting Officer, with Board support and input, to decide the format and content of this governance statement.

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 developing this statement, the Accounting Officer has considered a range of guidance so as to tailor the disclosure to the organisation and its features during 2024-25.

Scope of responsibility

The Commission 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 (DfC). The Commission's strategic aims in 2024-25 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.

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 five 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 to allow staff to take a range of decisions under the legislation. In February 2025 the Minister for Communities agreed a scheme, which will be implemented in the coming year. Some categories of decision will remain with Commissioners under this scheme. The Independent Review of Charity Regulation which reported in early 2022 forms the basis of the Commission's current strategic plan for 2023-26.

During the year the Board undertook its responsibilities by:

- agreeing a business plan for approval by DfC.
- 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 on the 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 receive properly proposed and recorded approvals by the Board itself.

- receiving reports from a committee overseeing the Chief Executive's performance through a Performance and Appraisal committee.
- reviewing committee structures and membership, in keeping with a recommendation in their last external effectiveness review.
- 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, which was completed during this year.
- approving a succession plan for the Commission.
- 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.

Terence McGonigal left the Board at the start of May 2024 and the Commission would like to express its thanks to him. A new Deputy Chair was appointed in June 2024 and a new Commissioner with accountancy skills was appointed in August 2024. Hugh McKeag was reappointed for five years from September 2024.

Attendance at Board meetings during the year:

| Board member | Number of meetings attended |
|--|------------------------------------|
| Gerard McCurdy, Chair | 5 out of 7 |
| Aoife Hamilton, Deputy Chair (appointed June 2024) | 5 out of 6 |
| Patricia Kelly, Legal Commissioner | 6 out of 7 |
| Kieran Donaghy, Commissioner | 6 out of 7 |
| Hugh McKeag, Commissioner | 7 out of 7 |
| Alan Hunter, Commissioner | 7 out of 7 |
| Leanne McCullough (appointed August 2024) | 5 out of 5 |

Board performance and assessment of its own effectiveness

In 2024-25 the Board met seven times. The Audit and Risk Assurance Committee met five times, and the Human Resources Committee met twice. The 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 until the end of this year, when a new scheme of delegation was introduced.

Commissioners continued their development in this year by undertaking training on governance, equality, safeguarding, recruitment and selection and Audit and Risk committee skills.

Commissioners were subject to annual appraisal and the results were reported to the sponsor department. During the year an effectiveness review of board performance was carried out via self-assessment. The assessment of performance was positive. 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 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 2024 using the National Audit Office Checklist. In broad terms the committee was content with its 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, Information Security and Raising Concerns about the Commission. The committee also received regular updates on cyber security. The committee held an additional meeting specifically to consider a data incident and subsequently received a report from Internal Audit on lessons to be learned. All recommendations in it were implemented.

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 five Audit and Risk Assurance Committee meetings during 2024-25.

The committee agreed an Internal Audit strategy which was supported in this year by an audit plan for 2024-25 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. They included:

Phase 1 – Progress on Registration, Enquiries Team - Use of Powers, Charity Incorporations and Implementation of Independent Counsel Recommendations.

Phase 2 – Payroll, Records Management arrangements – Freedom of Information and the implementation of previously accepted audit recommendations.

Internal Auditors carried out an additional assignment during the year to provide assurance on data security, noted above.

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 2024-25 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 five committee meetings. The committee considered the *2023-24 NIAO Report to Those Charged with Governance* which indicated an unqualified audit opinion, without modification, on the 2023-24 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 two recommendations, neither of which was priority one. The Commission's annual report and accounts were laid before the Assembly on 11 July 2024.

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

The membership of the committee was changed during 2024-25, with the addition of Leanne McCullough.

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

| A&RA Committee member | Number of meetings attended |
|--|------------------------------------|
| Hugh McKeag (Chair) | 5 out of 5 |
| Caron Alexander, Independent Member of committee | 4 out of 5 |
| Alan Hunter | 5 out of 5 |
| Leanne McCullough (joined Nov 2024) | 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 twice in 2024-25. During the year the committee considered: staff wellbeing and health & safety, accommodation, results of the staff survey, succession planning, hybrid working policy, 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, with the addition of Aoife Hamilton. Attendance at Human Resources Committee meetings was as follows.

| HR Committee member | Number of meetings attended |
|----------------------------------|------------------------------------|
| Kieran Donaghy | 2 out of 2 |
| Patricia Kelly | 2 out of 2 |
| Aoife Hamilton (joined Feb 2025) | 1 out of 1 |

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.

There were 22 Schedule 1 committees during the year, attended by Commissioners as follows:

| Board member | Number of Schedule 1 committees attended |
|---------------------|---|
| Gerard McCurdy | 8 |
| Patricia Kelly | 10 |
| Aoife Hamilton | 6 |
| Kieran Donaghy | 10 |
| Alan Hunter | 9 |
| Hugh McKeag | 10 |
| Leanne McCullough | 4 |

Performance and Appraisal committee

This committee's role is 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. It met twice 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 2024-25, 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 2024-25 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 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 and accountability 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) 2025 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. 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 2024-25 business plan and consideration of the Department for Communities' evolving approach to risk. The Commission set its organisational risk appetite and from that point seven risks related to delivery of the plan were articulated and managed through the corporate risk register.

At the outset the 2024-25 corporate risk register included one extreme risk ie that annual resource and capital budgets were late/slow to be confirmed or reduced, creating pressures from the outset which hamper ability to deliver on key priorities and technical development issues, like the SORP, which may lead to lack of confidence in the Commission. In response the Board again adjusted its business plan targets by 30-40%, focused as much as possible on delivering key parts of the enabling regulatory agenda set out by the review and left two posts unfilled for most of the year. 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, three high risks, with the remainder viewed as moderate to low. Assessment of specific risks noted:

- as the year progressed the lack of certainty and timing of legislative/policy changes (as per Independent Review) reduced somewhat so the Commission could plan to deliver priority recommendations.
- The risk that there may be no scheme of delegation or what was approved may provide for a different outcome to that consulted was mitigated by DfC. If not, the Commission had identified this could potentially increase the likelihood of challenge and reduce the resource to be released back (into the organisation) to deliver services going forward.
- Due to the timing of the scheme of delegation late in quarter four potential efficiencies that new committees and decision-making processes could create, such as Commissioner direct access to management information systems, were not realised. This meant business plan targets remained reduced throughout the year.
- Following introduction of a scheme of delegation, the benefits of change will begin to flow in the 2025/26 business plan year when a transitional process will involve change of highest volume processes, new assurances and increased staff support to enable decision-making to staff switching back.
- At year end the risk of better staff engagement may not be realised because of relocation and lack of budget available for staff/ Commissioner related spend remained significant. There was sizeable staff recruitment although staff survey results suggest motivation and engagement was maintained.
- By year end the steps management put in place enabled continued operation of a balanced budget. This delivered the business plan, albeit one reflecting a reduction in services by 30-40%. This also required a reduction in the number of priority Independent Review Recommendations to be progressed.
- The risk that lack of reliable on-line systems and/or capacity to upgrade them and robust information/ cyber security procedures resulted in poor service delivery and potential for information security breach or data loss remained throughout the year. Progressing the new web site and procurement of new on line forms software priorities were impacted in the second half of the year by the need to support sponsor team to progress office relocation.

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.

During this year one data incident was reported to the Information Commissioner's Office (ICO). The ICO elected to take no further action.

As an outworking of previous inquiry work, 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 2024-25 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. Having considered the corporate governance framework within which the Commission operated and in conjunction with assurances given to me by the Audit and Risk Assurance Committee, I am content that the Commission has operated a sound system of internal governance during the period 2024-25.

A handwritten signature in black ink, appearing to read 'Frances McCandless', is positioned in the upper left quadrant of the page.

Frances McCandless
Chief Executive
Date: 23 June 2025

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 approval of the 2024-25 Budget in the Assembly, on 28 May 2024, in which the Finance Minister outlined the overarching approach to public sector pay, the NI public sector pay policy guidance was published on 31 May 2024 in FD (DoF) 07/24.

Annual NICS pay awards are made in the context of the wider public sector pay policy. The Charity Commissioner's Accounting Officer approved the pay remits effective from 1 August 2024, for NICS non-industrial and SCS in April 2025 and these were paid in May 2025.

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 and other eligibility criteria. 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 Commission makes appointments in accordance with the Order and the Code where appropriate.

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 2024-25 one Commissioner resigned and a new Deputy Chief Commissioner and one new Commissioner were appointed. 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 | 2024-25 | | 2023-24 | |
| | Salary* £'000 | Benefits in kind (to nearest £100) | Salary £'000 | Benefits in kind (to nearest £100) |
| Gerard McCurdy, Chief Charity Commissioner | 25-30 | n/a | 20-25 | n/a |
| Aoife Hamilton, Deputy Chief Commissioner (term began 01 June 2024) | 5-10 <i>(10-15 full-year equivalent)</i> | n/a | n/a | n/a |
| Séamus Magee, Commissioner (term ended 31 August 2023) | n/a | n/a | 0-5 <i>(5-10 full-year equivalent)</i> | n/a |
| Kieran Donaghy, Commissioner (term began 01 March 2019) | 5-10 | n/a | 10-15 | n/a |
| Hugh McKeag, Commissioner (term began 01 September 2019) | 10-15 | n/a | 5-10 | n/a |
| Patricia Kelly, Legal Commissioner (term began 01 June 2021) | 10-15 | n/a | 10-15 | n/a |
| Alan Hunter, Commissioner (term began 01 February 2022) | 10-15 | n/a | 10-15 | n/a |
| Terence McGonigle, Commissioner (term began 01 September 2023, resigned 20 April 2024) | 0-5 <i>(25-30 full-year equivalent)</i> | n/a | 0-5 <i>(5-10 full-year equivalent)</i> | n/a |
| Leanne McCullough, Commissioner (term began 15 August 2024) | 5-10 <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 | 2024-25 £'000 | 2023-24 £'000 |
|--|--|--|
| Gerard McCurdy, Chief Charity Commissioner (appointed 01 September 2023. Had been appointed Interim Chair on 21 December 2022) | 5-10 | 5-10 |
| Aoife Hamilton, Deputy Chief Commissioner (term began 01 June 2024) | 0-5 <i>(5-10 full-year equivalent)</i> | n/a |
| Séamus Magee, Commissioner (term ended 31 August 2023) | n/a | 0-5 <i>(0-5 full-year equivalent)</i> |
| Kieran Donaghy, Commissioner | 5-10 | 5-10 |
| Hugh McKeag, Commissioner | 5-10 | 5-10 |
| Patricia Kelly, Legal Commissioner | 5-10 | 5-10 |
| Alan Hunter, Commissioner | 5-10 | 5-10 |
| Terence McGonigle, Commissioner (term began 01 September 2023, resigned 20 April 2024) | 0-5 <i>(20-25 full-year equivalent)</i> | 0-5 <i>(0-5 full-year equivalent)</i> |
| Leanne McCullough, Commissioner (term began 15 August 2024) | 0-5 <i>(5-10 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 | 2024-25 | | | | 2023-24 | | | |
| | 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 | 90-95 | - | 70 | 160-165 | 85-90 | - | 0 | 85-90 |
| Head of Charity Services Punam McGookin | 60-65 | - | 40 | 100-105 | 55-60 | - | 33 | 90-95 |
| Head of Compliance and Enquiries Rossa Keown | 60-65 | - | 27 | 85-90 | 55-60 | - | 23 | 80-85 |
| Head of Corporate Services Aubrey McCrory | 60-65 | - | 35 | 95-100 | 55-60 | - | 30 | 85-90 |

**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.*

***Accrued pension benefits included in this table for any individual affected by the Public Service Pensions Remedy have been calculated based on their inclusion in the legacy scheme for the period between 1 April 2015 and 31 March 2022, following the McCloud judgment. The Public Service Pensions Remedy applies to individuals that were members, or eligible to be members, of a public service pension scheme on 31 March 2012 and were members of a public service pension scheme between 1 April 2015 and 31 March 2022. The basis for the calculation reflects the legal position that impacted members have been rolled back into the relevant legacy scheme for the Remedy Period and that this will apply unless the member actively exercises their entitlement on retirement to decide instead to receive benefits calculated under the terms of the alpha scheme for the period from 1 April 2015 to 31 March 2022.*

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.

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 2024-25 was £90,000-£95,000 (2023-24: £85,000-£90,000). 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.

| | 2024-25 v 2023-24 | 2023-24 v 2022-23 |
|---|--------------------------|-------------------|
| Highest paid director's salary and allowances | 3.00% | 2.53% |
| Highest paid director's performance pay and bonuses payable | n/a | n/a |
| Average employee salary and allowances | 3.36% | 2.91% |
| Average employee performance pay and bonuses | n/a | n/a |

| 2024-25 | 25th percentile | Median | 75th Percentile |
|------------------------|-----------------------------------|---------------|-----------------------------------|
| Total remuneration (£) | 30,755 | 31,245 | 40,731 |
| Pay Ratio | 3.2:1 | 3.1:1 | 2.4:1 |

| 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 |

The 25th percentile, median and 75th percentile remuneration figures are based on annualised salaries for the last month of the financial year, adjusted for any non-consolidated payments made to staff during the year.

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 2024-25 was £90,000-£95,000 (2023-24: £85,000-£90,000). This was 3.1 times (2023-24: 3.2) the median remuneration of the workforce, which was £31,245 (2023-24: £27,127), 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 2024-25 was 3.2 times the remuneration of the employee whose pay and benefits are on the 25th percentile of pay and benefits of the Commission's employees (2023-24: 3.3), 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 (2023-24: 2.4).

In 2024-25, 0 (2023-24, 0) employees received remuneration in excess of the highest-paid director.

Remuneration ranged from £24,952 to £92,500 (2023-24, £23,789 to £87,500). The increase is due to a pay award being implemented in 2024-25.

Pension Benefits – Commissioners (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 Benefits – Directors (Audited information)

| <u>Officials</u> | Accrued pension at pension age as at 31/3/25 and related lump sum £'000 | Real increase in pension and related lump sum at pension age £'000 | CETV at 31/3/25 £'000 | CETV at 31/3/24* £'000 | Real increase in CETV £'000 | Employer contribution to partnership pension account Nearest £100 |
|---|--|---|--------------------------|---------------------------|--------------------------------|--|
| Frances McCandless Chief Executive (<i>alpha scheme</i>) | 45-50 plus lump sum of Nil | 2.5-5.0 plus lump sum of Nil | 751 | 642 | 53 | - |
| Punam McGookin Head of Charity Services (<i>alpha scheme</i>) | 20-25 plus lump sum of Nil | 0-2.5 plus lump sum of Nil | 441 | 404 | 35 | - |
| Aubrey McCrory Head of Corporate Services (<i>alpha scheme</i>) | 15-20 plus lump sum of Nil | 0-2.5 plus lump sum of Nil | 307 | 265 | 27 | - |
| Rossa Keown Head of Compliance and Enquiries (<i>alpha scheme</i>) | 15-20 plus lump sum of Nil | 0-2.5 plus lump sum of Nil | 197 | 167 | 13 | - |

*The pension benefits of any members affected by the [Public Service Pensions Remedy](#) which were reported in 2022-23 based on **alpha** membership for the period between 1 April 2015 and 31 March 2022 have been reported since 2023-24 based on PCSPS(NI) membership for the same period.

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 and 2015 Remedy

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 older (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. There are a significant number of Immediate Choice Remediable Service Statement (RSS) packs to issue. This process involves complex calculations to provide members with individually tailored statements. Due to the complexity of the calculations and some prolonged work to finalise policy elements of the remedy, not all Immediate Choice packs will issue by 31 March 2025 as originally planned. The legislation for the 2015 Remedy provides discretion which allows the Scheme Manager to extend beyond this date so it has become necessary to engage this discretion.

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 DoF Annual Reports and Accounts.

As part of the remedy involved rolling back all remediable service into the relevant legacy PCSPS(NI) arrangement for the 7-Year Remedy Period, the value of pension benefits for the 2024-25 pension disclosures for affected members continue to be based on the rolled back position.

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).

Annual Benefit Statements

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: [Civil Service Pensions \(NI\)](#)

Pension Increases

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 2024 was 1.7% and HM Treasury has announced that public service pensions will be increased accordingly from April 2025.

Employee Contribution Rates

Employee contribution rates for all members for the periods covering 1 April 2024 – 31 March 2025 and 1 April 2025 – 30 June 2025 are as follows:

| Annualised Rate ¹ of Pensionable Earnings (Salary Bands) 1 April 2024 to 31 March 2025 | | Annualised Rate of Pensionable Earnings (Salary Bands) 1 April 2025 to 30 June 2025 | | Contribution rates – All members |
|---|-------------|---|-------------|----------------------------------|
| From | To | From | To | |
| £0 | £26,302.49 | £0 | £27,091.99 | 4.6% |
| £26,302.50 | £59,849.99 | £27,092.00 | £61,645.99 | 5.45% |
| £59,850.00 | £160,964.99 | £61,646.00 | £165,793.99 | 7.35% |
| £160,965.00 and above | | £165,794.00 and above | | 8.05% |

¹ Rates are expected to change mid-year as a result of the outcome of the consultation on Scheme Yield and Member Contributions.

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).

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 [Basis for setting the discount rates for calculating cash equivalent transfer values payable by public service pension schemes - GOV.UK](#). **As at the year-end** there have been no further changes to the SCAPE discount rate of 1.7% above CPI inflation since the HM Treasury guidance was published.

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).

Compensation for loss of office

There were no payments for compensation for loss of office in 2024-25

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)

| | 2024-25 | | | 2023-24 |
|---|---------------------------------|---------------|------------------|------------|
| | Permanently employed staff £ | Other £ | Total £ | Total £ |
| Wages and salaries | 936,835 | 87,915 | 1,024,750 | 1,091,180 |
| Social security costs | 97,364 | - | 97,364 | 101,567 |
| Other pension costs | 327,383 | - | 327,383 | 277,995 |
| Sub Total | 1,361,582 | 87,915 | 1,449,497 | 1,470,742 |
| Less recoveries in respect of outward secondments | - | - | - | - |
| Total net costs | 1,361,582 | 87,915 | 1,449,497 | 1,470,742 |

During 2024-25, 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 finance-ni.gov.uk/articles/northern-ireland-civil-service-pension-scheme-valuations.

For 2024-25, employers' contributions of £327,383 were payable to the NICS pension arrangements (2023-24: £277,995) at a flat rate of 34.25% of pensionable pay.

Employees can opt to open a partnership pension account: a stakeholder pension with an employer contribution. Employers' contributions of £0 (2023-24: £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% (2023-24: 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% (2023-24: £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.

Commissioners' costs (Audited information)

| | 2024-25 | | | 2023-24 |
|-----------------------------|---------------------------------|------------|---------------|------------|
| | Permanently employed staff £ | Other £ | Total £ | Total £ |
| Commissioners' remuneration | 89,526 | - | 89,526 | 78,110 |
| Social security costs | 6,758 | - | 6,758 | 4,393 |
| Total net costs | 96,284 | - | 96,284 | 82,503 |

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 2024-25 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:

| | 2024-25 | | | 2023-24 |
|-------------------|-----------------------------------|--------------|--------------|---------|
| | Permanently employed staff | Other | Total | Total |
| Directly employed | 25 | 2 | 27 | 29 |

Other employees relate to temporary agency staff.

Staff composition (Audited information)

At 31 March 2025 there were 27 staff employed and 2 temporary agency staff. The staff composition was as follows:

| | Male | Female |
|--------------------------------|-------------|---------------|
| Chief Executive (SCS) | - | 1 |
| Permanent staff | 7 | 19 |
| Other employees | 1 | 1 |
| Total staff composition | 8 | 21 |

Sickness absence

The Commission has an attendance management policy, and the monitoring and management of employee attendance is based on this. Sickness absence in 2024-25 was 2.97% (2023-24: 4.39%) against a target of 3%, this was split 0.43% for short term absences and 2.54% for long term absences.

Staff turnover percentage

The staff turnover percentage in 2024-25 was 20.00% (2023-24: 15.38%) 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 2024-25 financial year.

Ex-gratia payments (Audited information)

No ex-gratia payments were made in the 2024-25 financial year.

Exit packages (Audited information)

No exit packages were awarded in the 2024-25 financial year.

Expenditure on consultancy

In line with the Department for Communities' guidance on classification of expenditure, in the 2024-25 financial year, no external consultancy was undertaken.

Expenditure on temporary staff

Total expenditure on temporary agency staff for 2024-25 was £87,915 (2023-24: £111,331). This was to cover the vacant Staff Officer Accountant post and to support short term vacancies in Casework.

Off-payroll engagements

There were no off-payroll engagements during the financial year (2023-24: 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 2025 (2023-24: £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 23 June 2025.



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 2025 under the Charities Act (Northern Ireland) 2008. The financial statements comprise: the Statement of Comprehensive Net Expenditure; the Statement of Financial Position; the Statement of Cash Flows; the Statement of Changes in Taxpayers' Equity; and the related notes including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom 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 2025 and of its total incoming resources and expenditure of resources 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 are 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;

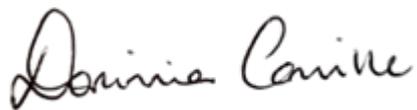
- engagement director oversight to ensure the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with the applicable legal and regulatory framework throughout the audit;
- documenting and evaluating the design and implementation 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, reading "Dorinnia Carville". The signature is written in a cursive style with a large initial 'D'.

Dorinnia Carville
Comptroller and Auditor General
Northern Ireland Audit Office
106 University Street
Belfast
BT7 1EU

30 June 2025

Financial Statements

7. Statement of Comprehensive Net Expenditure

for the year ended 31 March 2025

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 | 2024-25 £ | 2023-24 £ |
|---|-------|------------------|--------------|
| Income | | | |
| Other operating income | 5 | - | - |
| Total operating income | | - | - |
| Expenditure | | | |
| Staff costs | 2 | 1,449,497 | 1,470,742 |
| Commissioners' remuneration | 2 | 96,284 | 82,503 |
| Depreciation and amortisation | 3 | 166,766 | 163,365 |
| Provision expense | 3 | 3,600 | (2,064) |
| Other operating expenditure | 3 | 290,464 | 383,017 |
| Loss on Disposal | 6 | - | - |
| Total operating expenditure | | 2,006,611 | 2,097,563 |
| Net operating expenditure | | | |
| Lease interest | 13 | 91 | 90 |
| Net expenditure for the year | | 2,006,702 | 2,097,653 |
| Other comprehensive net expenditure | | | |
| Net (gain)/loss on revaluation of property, plant and equipment | 6 | (63) | (70) |
| Net (gain)/loss on revaluation of intangible assets | 7 | (1,928) | (3,432) |
| Comprehensive net expenditure for the year | | 2,004,711 | 2,094,151 |

The notes on pages 89 to 107 form part of these accounts.

8. Statement of Financial Position

as at 31 March 2025

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 | 2025 £ | 2024 £ |
|--|-------|------------------|-----------|
| Non-current assets: | | | |
| Property, plant and equipment | 6 | 3,216 | 6,527 |
| Leased Assets | 6 | 26,537 | 47,380 |
| Intangible assets | 7 | 403,714 | 494,780 |
| Total non-current assets | | 433,467 | 548,687 |
| Current assets: | | | |
| Trade and other receivables | 9 | 9,003 | 4,557 |
| Cash and cash equivalents | 10 | 11,828 | 53,661 |
| Total current assets | | 20,831 | 58,218 |
| Total assets | | 454,298 | 606,905 |
| Current liabilities | | | |
| Trade and other payables | 11 | (152,911) | (239,435) |
| Provisions | 12 | (2,620) | (3,232) |
| Lease liability | 13 | (18,955) | (37,910) |
| Total current liabilities | | (174,486) | (280,577) |
| Total assets less current liabilities | | 279,812 | 326,328 |
| Taxpayers' equity | | | |
| Revaluation reserve | | 90,620 | 88,629 |
| General reserve | | 189,192 | 237,699 |
| Total equity | | 279,812 | 326,328 |

The financial statements on pages 84 to 107 were approved by the Board on 23 June 2025 and were signed on its behalf by:



Frances McCandless
Chief Executive
Charity Commission for
Northern Ireland



Gerard McCurdy
Chief Commissioner
Charity Commission for
Northern Ireland

9. Statement of Cash Flows

for the year ended 31 March 2025

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 | 2024-25 £ | 2023-24 £ |
|---|-------|--------------------|--------------------|
| Cash flows from operating activities | | | |
| Net Operating Expenditure | | (2,006,611) | (2,097,563) |
| Adjustments for non-cash transactions | 3 | 170,366 | 161,301 |
| (Increase)/decrease in trade and other receivables | | (4,446) | 17,912 |
| Increase in trade and other payables | | (93,334) | 31,682 |
| Use of provisions | | (4,212) | (65,888) |
| Adjustments to net operating expenditure | | (1) | (3) |
| Net cash outflow from operating activities | | (1,938,238) | (1,952,559) |
| Cash flows from investing activities | | | |
| Lease interest | 13 | (91) | (90) |
| Purchase of intangible assets | 7 | (30,600) | (23,400) |
| Decrease in capital payables | | 6,810 | (31,800) |
| (Increase)/decrease in investing receivables | | - | - |
| Net cash outflow from investing activities | | (23,881) | (55,290) |
| Cash flows from financing activities | | | |
| Repayment of lease | 13 | (37,909) | (37,910) |
| Grants from DfC | | 1,958,195 | 2,088,784 |
| | | 1,920,286 | 2,050,874 |
| Net Financing | | | |
| Net (decrease)/increase in cash and cash equivalents in the period | | (41,833) | 43,025 |
| Cash and cash equivalents at the beginning of the period | | 53,661 | 10,636 |
| Cash and cash equivalents at the end of the period | 10 | 11,828 | 53,661 |

The notes on pages 89 to 107 form part of these accounts.

10. Statement of Changes in Taxpayers' Equity

for the year ended 31 March 2025

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 2023 | 246,390 | 85,127 | 331,517 |
| Restatement of Lease | 178 | - | 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 |
| Restatement of Lease | - | - | - |
| Grants from sponsor department – DfC | 1,958,195 | - | 1,958,195 |
| Comprehensive net expenditure for the year | (2,006,702) | - | (2,006,702) |
| Revaluation gains and losses | - | 1,991 | 1,991 |
| Balance at 31 March 2025 | 189,192 | 90,620 | 279,812 |

The notes on pages 89 to 107 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 2024-25 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 were 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 team 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 2024-25. 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 2025

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 31 December 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 2024-25 and which are relevant to its operations.

IFRS 17

IFRS 17: Insurance Contracts replaces IFRS 4: Insurance Contracts and is to be included in the FreM for mandatory implementation from 2025-26. It establishes the principles for the recognition, measurement, presentation and disclosure of insurance contracts within the scope of this Standard.

It is likely there will be no impact on the Commission.

Non-investment asset valuations

In December 2023 Treasury released an exposure draft on potential changes to make to valuing and accounting for non-investment assets (e.g. PPE, intangible assets). The following changes to the valuation and accounting of non-investment assets is to be included in the 2025-26 FReM for mandatory implementation:

References to assets being held for their 'service potential' and the terms 'specialised/non-specialised' assets are being removed from the FReM. Non-investment assets are instead described as assets held for their 'operational capacity'. This change has no impact on the valuation basis of non-investment assets, which remains Existing Use Value (EUUV).

An adaptation to IAS 16 will be introduced to withdraw the requirement to revalue an asset where its fair value materially differs from its carrying value. Assets are now valued using the one of the following processes:

A quinquennial revaluation supplemented by annual indexation.

A rolling programme of valuations over a 5-year cycle, with annual indexation applied to assets during the 4 intervening years.

For non-property assets only, appropriate indices.

In rare circumstances where an index is not available, a quinquennial revaluation supplemented by a desktop revaluation in year 3.

The option to measure intangible assets using the revaluation model is withdrawn. The carrying values of intangible assets at 31 March 2025 will be considered the historical cost at 1 April 2025.

Social Benefits

The 2025-26 FReM will include new guidance on accounting for social benefits. The 2025-26 FReM will define social benefits as 'current transfers received by households (including individuals) intended to provide for the needs that arise from certain events or circumstances, for example, sickness, unemployment, retirement, housing, education, or family circumstances.

It is likely there will be no impact on the Commission.

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 2025. 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

| | 2024-25 | 2023-24 |
|-----------------------|------------------|-----------|
| | £ | £ |
| Wages and salaries | 1,024,750 | 1,091,180 |
| Social security costs | 97,364 | 101,567 |
| Other pension costs | 327,383 | 277,995 |
| | 1,449,497 | 1,470,742 |

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:

| | 2024-25 | | | 2023-24 |
|-----------------------------|-----------------------------------|---------------|---------------|----------|
| | Permanently employed staff | Others | Total | Total |
| | £ | £ | £ | £ |
| Commissioners' remuneration | 89,526 | - | 89,526 | 78,110 |
| Social Security costs | 6,758 | - | 6,758 | 4,393 |
| | 96,284 | - | 96,284 | 82,503 |

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 2024-25 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

| | 2024-25 | 2023-24 |
|--------------------------------------|----------------|---------|
| | £ | £ |
| Rent and service charges | 2,464 | 1,992 |
| Rates | 17,783 | 17,114 |
| Security | 11,750 | 9,388 |
| Maintenance and repairs | 14,043 | 17,473 |
| Cleaning | 8,142 | 8,350 |
| Telephone and postage | 25,778 | 26,467 |
| Heat, light and power | 16,194 | 41,888 |
| IT network support | 13,971 | 11,070 |
| Stationery and consumables | 2,167 | 1,582 |
| Publicity, printing and advertising | 3,909 | 1,075 |
| Staff/Commissioners' training | 10,917 | 19,400 |
| Travel and subsistence | 5,093 | 5,660 |
| Recruitment costs | 23,543 | 22,724 |
| Events and hospitality | 3,067 | 2,090 |
| Legal and professional fees | 71,360 | 139,362 |
| Miscellaneous expenses | 9 | 3 |
| Membership and licence fees | 8,181 | 9,912 |
| Charity digital services maintenance | 46,453 | 36,678 |
| Minor equipment | 566 | 616 |
| Communication and research costs | 5,074 | 10,173 |
| Total | 290,464 | 383,017 |
| Non-Cash items: | | |
| Loss on disposal of assets | - | - |
| Depreciation and amortisation | 166,766 | 163,365 |
| Provision expense | 3,600 | (2,064) |
| Total | 170,366 | 161,301 |

4. Notional Costs

| | 2024-25 | 2023-24 |
|--|----------------|---------------|
| Notional costs incurred during the year relate to: | £ | £ |
| NIAO audit fee | 26,400 | 25,700 |
| Internal audit fee | 15,610 | 14,740 |
| | 42,010 | 40,440 |

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

| 2024-25 | Buildings | Furniture & fittings | Information technology | Total |
|---|------------------|---------------------------------|-------------------------------|----------------|
| | £ | £ | £ | £ |
| Cost or valuation | | | | |
| At 01 April 2024 | 123,140 | 4,836 | 26,344 | 154,320 |
| Additions | 18,955 | - | - | 18,955 |
| Disposals | - | - | - | - |
| Revaluations | - | 311 | 76 | 387 |
| At 31 March 2025 | 142,095 | 5,147 | 26,420 | 173,662 |
| Depreciation | | | | |
| At 1 April 2024 | 75,760 | 4,262 | 20,391 | 100,413 |
| Charged in year | 39,798 | 255 | 3,119 | 43,172 |
| Disposals | - | - | - | - |
| Revaluations | - | 265 | 59 | 324 |
| At 31 March 2025 | 115,558 | 4,782 | 23,569 | 143,909 |
| Carrying amount at 31 March 2025 | 26,537 | 365 | 2,851 | 29,753 |
| Carrying amount at 31 March 2024 | 47,380 | 574 | 5,953 | 53,907 |
| Asset Financing: | | | | |
| Owned | - | 365 | 2,851 | 3,216 |
| Right of Use | 26,537 | - | - | 26,537 |
| Carrying amount at 31 March 2025 | 26,537 | 365 | 2,851 | 29,753 |
| 2023-24 | | | | |
| | Buildings | Furniture & fittings | Information technology | Total |
| | £ | £ | £ | £ |
| Cost or valuation | | | | |
| At 01 April 2023 | 84,431 | 4,667 | 26,244 | 115,342 |
| Restate balance 1 April 2023 | 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 1 April 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 |

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 uses Producer Price Indices published by the Office for National Statistics (ONS) in order to apply indexation to the value of non-property assets at year-end. Ordinarily the Commission uses March indices at year end, however, in March 2025, ONS issued a statement indicating that they had identified a problem with the chain-linking methods used to calculate these indices, affecting the years from 2008 onwards, and that they would consequently be pausing publication of Producer Price Index data while the issue is rectified. At the time these accounts are being prepared, it has not been possible to ascertain the potential impact of this issue. However, given the value of the non-property assets potentially affected, the Commission does not expect an adjustment to indexation to have a material impact on the 2024-25 accounts. It is anticipated that ONS will recommence publication of the Producer Price Indices at some point during the 2025-26 financial year and the indexation of non-property assets will be brought up to date in the 2025-26 accounts. 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 2025, 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.

Work was ongoing during 2024-25 to redesign the Commission's website in line with recommendation 19 of the Independent Review of Charity Registration. This project will continue during 2025/26 with updating of online guidance and completion of user acceptance testing before a formal launch.

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.

| 2024-25 | OLS operational £ | OLS in development £ | CRM operational £ | CRM in development £ | Total £ |
|---|----------------------------------|-------------------------------------|----------------------------------|-------------------------------------|--------------------|
| Cost or valuation | | | | | |
| At 1 April 2024 | 835,380 | 52,306 | 469,364 | - | 1,357,050 |
| Additions | - | 25,920 | - | 4,680 | 30,600 |
| Reclassification | - | - | - | - | - |
| Revaluation | 2,692 | 605 | 583 | - | 3,880 |
| At 31 March 2025 | 838,072 | 78,831 | 469,947 | 4,680 | 1,391,530 |
| Amortisation | | | | | |
| At 1 April 2024 | 513,894 | - | 348,376 | - | 862,270 |
| Charged in year | 75,641 | - | 47,953 | - | 123,594 |
| Revaluation | 1,751 | - | 201 | - | 1,952 |
| At 31 March 2025 | 591,286 | - | 396,530 | - | 987,816 |
| Carrying amount at 31 March 2025 | 246,786 | 78,831 | 73,417 | 4,680 | 403,714 |
| Carrying amount at 31 March 2024 | 321,486 | 52,306 | 120,988 | - | 494,780 |
| Asset Financing: | | | | | |
| Owned | 246,786 | 78,831 | 73,417 | 4,680 | 403,714 |
| Right of Use | - | - | - | - | - |
| Carrying amount at 31 March 2025 | 246,786 | 78,831 | 73,417 | 4,680 | 403,714 |
| 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 | - | 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 | - | 494,780 |
| Carrying amount at 31 March 2023 | 262,117 | 160,520 | 166,751 | - | 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 | - | 494,780 |

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 the Estimate process, 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

| | 2025 | 2024 |
|---|--------------|-------|
| | £ | £ |
| Amounts falling due within one year: | | |
| Prepayments and accrued income | 9,003 | 4,557 |
| Other receivables | - | - |
| | 9,003 | 4,557 |

10. Cash and cash equivalents

| | 2025 | 2024 |
|---|-----------------|--------|
| | £ | £ |
| Balance at 1 April | 53,661 | 10,636 |
| Net change in cash and cash equivalent balances | (41,833) | 43,025 |
| Balance at 31 March | 11,828 | 53,661 |

The following balances at 31 March were held at:

| | | |
|-----------------------------------|---------------|--------|
| Commercial banks and cash in hand | 11,828 | 53,661 |
| Balance at 31 March | 11,828 | 53,661 |

11. Trade and other payables

| | 2025 | 2024 |
|---|----------------|---------|
| Amounts falling due within one year: | £ | £ |
| Trade payables | - | 388 |
| Capital payables | 9,930 | 3,120 |
| Pension | - | - |
| Accruals and deferred income | 142,981 | 235,927 |
| | 152,911 | 239,435 |

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 2024 to 31 March 2025.

| | 2024-25 | | 2023-24 | |
|-------------------------------------|----------------|-------------|---------|-----|
| Total invoices in accounting period | 451 | | 504 | |
| Invoices paid within 10 days | 451 | 100% | 499 | 99% |
| Invoices paid 11 - 30 days | - | 0% | 5 | 1% |
| Invoices paid over 30 days | - | 0% | - | 0% |

12. Provision for liabilities and charges

| | 2025 | 2024 |
|--------------------------------------|--------------------|-------------|
| | Legal Costs | Legal Costs |
| | £ | £ |
| Balance at 1 April | 3,232 | 71,184 |
| Provided in the year | 3,600 | - |
| Provisions not required written back | - | (2,064) |
| Provisions utilised in the year | (4,212) | (65,888) |
| Balance at 31 March | 2,620 | 3,232 |

Analysis of expected timing of discounted flows

| | 2025 | 2024 |
|----------------------------|--------------|--------------|
| | Legal | Legal |
| | Costs | Costs |
| | £ | £ |
| Less than one year | 2,620 | 3,232 |
| Greater than one year | - | - |
| Balance at 31 March | 2,620 | 3,232 |

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 2025 for the premises it occupies, which up until 31 March 2023, 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

| 2024-25 | Buildings | Total |
|------------------------------|----------------|----------------|
| Cost or valuation | £ | £ |
| As at 1 April 2024 | 123,140 | 123,140 |
| Additions | 18,955 | 18,955 |
| At 31 March 2025 | 142,095 | 142,095 |
| Depreciation | | |
| As at 1 April 2024 | 75,760 | 75,760 |
| Depreciation charged in year | 39,798 | 39,798 |
| At 31 March 2025 | 115,558 | 115,558 |
| NBV at 31 March 2024 | 47,380 | 47,380 |
| NBV at 31 March 2025 | 26,537 | 26,537 |

13.2 Quantitative disclosures around lease liabilities

| | 2025 | 2024 |
|---|---------------|---------------|
| | £ | £ |
| Buildings | | |
| Not later than one year | 19,000 | 38,000 |
| Later than one year and not later than five years | - | - |
| Later than five years | - | - |
| Less interest element | (45) | (90) |
| Present value of obligations | 18,955 | 37,910 |

13.3 Quantitative disclosures around cash outflow for leases

| | 2025 | 2024 |
|------------------------------|--------|--------|
| | £ | £ |
| Total cash outflow for lease | 38,000 | 38,000 |

14. Capital commitments

The Charity Commission for Northern Ireland had no Capital commitments at 31 March 2025 (2023-24: £25,920) which are not otherwise included in these accounts.

15. Contingent liabilities

The Commission has two ongoing High Court claims. As proceedings are only at an early stage these have been recorded as contingent liabilities, as no amount can be reliably estimated at this time. (2023-24: £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 £1,958,195 (2023-24: £2,088,784).

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 30 June 2025.

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 2025 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 2025 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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