

Parades Commission for Northern Ireland

Annual Report and Financial Statements for the
year ended 31 March 2015

Presented to Parliament pursuant to paragraphs 12 and 13 of Schedule 1 to
the Public Processions (Northern Ireland) Act 1998

Ordered by the House of Commons to be printed 2 July 2015

HC 247

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CHAIR'S FOREWARD

This foreword covers the 2014 and early 2015 parading season.

A number of factors contributed to a relatively stable parading environment. Co-operation amongst communities in dispute has resulted in a number of previously contentious parades being held without adjudication by the Commission. There has also been a shift in attitudes amongst some parade organisers, especially of commemorative events, choosing less sensitive routes. The heightened awareness and response to the management of parades includes better stewarding and marshalling. Low key dialogue has taken place in many areas. There has also been a reduced incidence of parade related protests.

Parading, however, retains its potential to expose fragile intercommunity relationships. Perceived erosion of identity and lack of respect are the counter sides of many parading disputes.

For this reason the impact upon community relations is specific to Northern Ireland parading legislation, reflecting this society's divisions and painful past.

In 2014, the Commission reflected in its considerations that the Crumlin Road parading dispute exerts a corrosive effect upon wider community relations. It emphasised that its most severe consequences continue to be experienced by the interfacing north Belfast communities which reside at the heart of the controversy. The Commission therefore restricted the route in 2014 as it did in the previous year.

A protest campaign of nightly and Saturday parades in response recently surpassed its 700th day. The protest campaign is the latest iteration in the decades-long cycle of community tensions, violence and public disorder characteristic of the parading disputes at the Crumlin Road.

The Commission set out in its July 2014 determination its clear view that this cycle may be broken by engagement and local dialogue which is aimed at addressing how the distinct needs of each of the local communities may be accommodated.

The ongoing protest centres on demands for freedoms to assemble at the one single location of the Crumlin Road for the purpose of returning home along this route the local lodges' colours, a tradition which is fulfilled fully, peacefully and without undue interference at hundreds of locations throughout Northern Ireland each 12th of July.

The Commission concluded in its decision the Crumlin Road parade's potential to manifest deep seated issues of division far beyond the remit of parading.

A number of protest parades including in Belfast, Bangor, Newtownards and Comber were held during the year in support of the lodges at the Crumlin Road.

Other significant parading issues included a number of flag protest parades which progressed without major incident through Belfast city centre. The stated purposes for these 'flag protest' parades included erosion of loyalist identity.

A major 'anti-internment' parade through Belfast in August 2014 involved large counter protests and a significant policing operation.

A rapid increase in processions to a total of circa 5000 in 2014 from circa 4,000 three years earlier is due to the increased frequency of civic parades, charity and sporting events, festivals and fairs.

The number of loyalist/unionist and nationalist/republican parades has remained fairly static over the past three years.

Of 2,400 loyalist/unionist parades in 2014, about 350 were nightly and Saturday parades in the Woodvale/Shankill area in support of the Crumlin Road dispute, and 50 were weekly protest parades in Portadown in support of Drumcree. The Commission placed restrictions on the Drumcree and Crumlin Road protest parades.

Over 90% of the remaining 2,000 loyalist/unionist parades were not considered by the Commission, and did not have any conditions imposed upon them.

Of the 200 or so loyalist/unionist parades which had conditions imposed upon them by the Commission, approximately 123 were route restrictions.

Of the parades considered by the Commission, 10 were nationalist/republican. The Commission placed conditions on 9 of them.

On a broader note, the Commission, which has operated for 18 years, has itself been the subject of contention. Part of this contention relates to the legislation which it applies, including the Commission's statutory Code of Conduct. This legislation has been reviewed on at least four occasions but has not resulted in any changes.

The Commission will continue to fulfil its statutory duty to make decisions about parades whilst encouraging the dialogue and engagement which can enable parades to take place in a spirit of mutual co-operation, and ultimately without any Commission intervention.

The office move during January 2015 was delivered with minimal disruption and maximum efficiency.

I wish to acknowledge the dedicated efforts of the Commission's Secretariat, who are required to manage delicate sometimes challenging relationships which they do with great discretion and professionalism.

I also wish to thank our professional partners, including independent monitors and providers of legal and media services.

Finally, as Chair, I wish to express my thanks for the contribution and commitment of my fellow Commissioners.

ANNE HENDERSON

STRATEGIC REPORT

ORGANISATIONAL OVERVIEW

The Parades Commission was established on 27 March 1997, initially as a non-statutory body. The Public Processions (Northern Ireland) Act 1998, amended by the Public Processions (Amendment) Northern Ireland Order 2005, gives the Commission statutory responsibilities in relation to public processions and related protests.

The Parades Commission operates from a single site in Belfast City Centre. Contact details are as follows:

Parades Commission
2nd floor, Andras House
60 Great Victoria Street
Belfast
BT2 7BB
Telephone: 028 9089 5900
Fax: 028 9032 2988
E-mail info@paradescommissionni.org
Web: www.paradescommission.org

The Secretary, Ms Rene Murray, was appointed from 9 June 2014. Mr Anthony Carleton was Secretary/Accounting Officer for the period 13 December 2011 to 6 June 2014. The Secretary is responsible for the effective operation of the secretariat and for managing its financial and manpower resources. The Secretary has also been appointed as Accounting Officer.

The secretariat is responsible for providing advice and support to the Chair and Commissioners in support of their aims and objectives, and in undertaking their statutory responsibilities. The Parades Commission had an average of 10 staff in post over the year. The Commission also made use of services provided by external professionals such as media advisors, auditors, mediators and an accountant. In addition, the Commission also has access to the invaluable services provided by a team of volunteers who give their time and expertise to provide independent observation reports on public processions and protests.

The Commission's statutory role is set out in the Public Processions (Northern Ireland) Act 1998. Section 2 (1) of that legislation provides that:

"It shall be the duty of the Commission –

- a) to promote greater understanding by the general public of issues concerning public processions;
- b) to promote and facilitate mediation as a means of resolving disputes concerning public processions;

- c) to keep itself generally informed as to the conduct of public processions and protest meetings;
- d) to keep under review, and make such recommendations as it thinks fit to the Secretary of State concerning, the operation of the Act.”

And Section 2(2) provides that:

“The Commission may in accordance with the provisions of this Act:

- a) facilitate mediation between parties to particular disputes concerning proposed public processions and take such other steps as appear to the Commission to be appropriate for resolving disputes:
- b) issue determinations in respect of particular proposed public processions.”

PERFORMANCE

The table below summarises performance against Parades Commission 2014-15 business plan targets. The commentary beneath the table highlights key outcomes achieved or exceeded in year, as well as some key targets either substantially achieved or not achieved.

| | Business Plan Objective | Total Number of Target Outcomes | Number of Target Outcomes – Fully Achieved | Number of Target Outcomes – Substantially Achieved | Number of Target Outcomes – Not Achieved |
|----------|---|--|---|---|---|
| 1 | To promote greater understanding by the general public of parading issues | 2 | 2 | | |
| 2 | To keep itself generally informed on the conduct of public processions and protest meetings | 3 | 2 | 1 | |
| 3 | To promote and facilitate mediation as a means of resolving disputes concerning public processions | 3 | 3 | | |
| 4 | To maintain high standards of governance & ensure | 3 | 3 | | |

| | | | | | |
|--|------------------------------------|-----------|-----------|----------|----------|
| | value for money is achieved | | | | |
| | | 11 | 10 | 1 | 0 |

BUSINESS PLAN OBJECTIVE 1 - To promote greater understanding by the general public of parading issues

Target:

1. By 31 March 2015 to hold a minimum of six meetings at locations across Northern Ireland:
 - During 2014-15, two outreach meetings and at least six other meetings were held in locations across Northern Ireland, to a range of stakeholders. The objective of the meetings was to promote greater understanding of parading issues. The meetings were generally well attended.
2. Explore key relationships with a range of stakeholders within education sectors e.g. Department of Education, CCEA:
 - With regards to exploring key relationships with a range of stakeholders within the education sector, the Commission had discussions with a number of Education Authorities to explore the possibility of “Parades” being included on the Citizenship module.

BUSINESS PLAN OBJECTIVE 2 - To keep itself generally informed on the conduct of public processions and protest meetings

Target:

1. Throughout the year, make arrangements to engage proactively with parade and protest organisers, elected and community representatives, representatives of the main religions and other stakeholders:
 - During 2014-15, the Commission proactively engaged with stakeholders and held a considerable number of meetings with parade and protest organisers, elected and community representatives, representatives of the main religions and other stakeholders.
2. During the year each Commissioner will observe a minimum of four parades including one at which there is a protest, one band parade, one perceived as being ‘Loyalist’ and one perceived as being ‘Republican’:
 - To ensure that Commission members kept themselves informed on public processions, almost all Commission members were able to observe a minimum of four parades.
3. Keep under review the operation of the relevant legislation and Commissions procedures:
 - Legislation and Commission procedures are under continuous review. The Public Processions (Electronic Communication of

Notices)(Northern Ireland) Order 2015 was effective in February 2015, permitting electronic notices.

BUSINESS PLAN OBJECTIVE 3 - To promote and facilitate mediation as a means of resolving disputes concerning public processions

Target:

1. Throughout the year, in areas where local agreement has not been reached, to ensure that the parties are aware of the benefits of dialogue and to facilitate mediation where the parties agree to it:
 - Mediation took place in a number of sensitive areas across Northern Ireland, including Rasharkin and Portadown.
2. Explore models of mediation with CRC / Academics / professional mediation services:
 - Two Commissioners attended a mediation conference to explore models of mediation.
3. Explore partnership arrangements for funding and promoting mediation:
 - Commissioners and Secretariat held meetings with a relevant organisation to discuss the possibility of promoting and funding mediation.

BUSINESS PLAN OBJECTIVE 4 - To maintain high standards of governance & ensure value for money is achieved

Target:

1. To promote the highest standards of corporate governance by defining and strengthening the key relationships amongst the accounting officer, the Audit Committee, the Commission and the sponsoring department.
 - Key relationships were strengthened during 2014-15: the timetable for completion of 2014-15 Annual Report and Accounts was met; three audit and risk committees were held; two accountability meetings were held with NIO Sponsor Branch and Secretariat; and Commission continued to receive monthly Corporate Governance updates.
2. By 31 March 2015, to have the new ICT notification / website system fully operational:
 - The new on-line notification system went live in March 2015 allowing parades and protest organisers to submit notices electronically.
3. By 31 March 2015, to deliver financial budget:
 - Expenditure in 2014-15 was delivered within budget.

PARADING ACTIVITIES

OVERVIEW OF PARADING ACTIVITIES

From 1 April 2014 to 31 March 2015, the Parades Commission received notification of 5,074 parades and parade related protests (2013-14: 4,665). Of the 5,074 notified parades and parade related protests, 619 (2013-14: 491) required detailed consideration by the Commission. Of the 619 parades, requiring detailed consideration, 583 (2013-14: 437) required the imposition of conditions, including on the proposed route. These parades are deemed “sensitive”, as they have the potential to raise concerns and community tensions.

In making its decisions, the Commission faced the difficult task of upholding the rights of not just one group, but also of seeking to balance the conflicting rights of different groups within the statutory criteria laid down in the legislation. It approached each of these “sensitive parades” independently and fairly, and it remains steadfastly committed to this approach in working with all those involved in the parades issue.

The Commission members have stated that their overall objective is to help bring about a situation in which parades can take place peacefully in an atmosphere of mutual respect.

TOTAL PARADES NOTIFIED

The 2014-15 parading season witnessed an increase of 409 notified parades / parade related protests from the previous year (2013-14: 4,665) with a similar breakdown of parade type. The current legislation requires that all public processions, with the exception of funerals and Salvation Army organised parades, are notified to the police at least 28 days before the date of the parade. Parade related protests are required to be notified to the police at least 14 days before the date of the parade. These notices are then passed on to the Parades Commission.

TOTAL PARADES BY TYPE

The number of notified parades, or parade related protests, organised by the loyal orders and broad Unionist tradition 2,918 (2013-14: 2,766) represents 58% of the overall total. The number of notified parades, or parade related protests, organised by Nationalist groups 176 (2013-14: 119) was an increase from the previous year but remains low at 3% of the overall total.

There were 1,980 (2013-14: 1,780) notified “other” parades. This category includes charity, civic, rural and sporting events, as well as church parades. Collectively, these now made up 39% of the overall total number of parades (2013-14: 38%).

TOTAL SENSITIVE PARADES

The number of notified parades deemed to be sensitive increased to 619 (2013-14: 491). The increase is largely due to the nightly and weekly parades at Woodvale/Twaddell area of Belfast. Of these 619 sensitive parades, 51% (2013-14: 38%) relate to the nightly and weekly Saturday parades at Woodvale/Twaddell area of Belfast. Some 8% (2013-14: 11%) of the parades deemed to be sensitive related to the weekly notifications by the Portadown LOL District No. 1 in respect of the Garvaghy Road. This reduction is due to the increase in the number of sensitive parades overall, rather than the reduction in notified parades by Portadown LOL District No 1.

SENSITIVE PARADES BY TYPE

The vast majority of sensitive parades continued to be Unionist parades, which accounted for 91% (2013-14: 96%). The proportion of sensitive Nationalist parades, or parade related protests, accounted for 9% (2013-14: 2%). There was only one non-denominational “other” parade (2013-14: 10) deemed sensitive.

BREAKDOWN OF RESTRICTIONS

The proportion of sensitive parades and parade-related protests on which the Commission placed restrictions was 94% (2013-14: 88%), a 6% increase from the previous year. The type of restrictions include the route, size and timing of a parade or protest, type of music to be played, behaviour and dress code.

FINANCIAL STATEMENTS – ACCOUNTS DIRECTION

Under paragraph 12 (1) of Schedule 1 to the Public Processions (Northern Ireland) Act 1998, as amended by the Public Processions (Northern Ireland) Act 1998 (Accounts and Audit) Order 1998, the Commission is required to:

- (a) keep proper accounts and proper records in relation to the accounts; and
- (b) prepare a statement of accounts in respect of each financial year of the Commission.

The accounts have been prepared in accordance with a direction issued by the Northern Ireland Office (NIO) under the 1998 Act. The accounts incorporate a Statement of Comprehensive Net Expenditure and related notes, a Statement of Financial Position, a Statement of Cash Flows and a Statement of Changes in Taxpayers’ Equity.

GOING CONCERN

The Statement of Financial Position at 31 March 2015 shows total current liabilities of £211,499. This reflects the inclusion of liabilities already incurred which are due for payment in future years.

The future financing of the Parades Commission’s liabilities will be met by the NIO. Although the Northern Ireland Executive is currently engaged in a review process

that includes the future of parading in Northern Ireland, there is no reason to believe that the NIO's future sponsorship and future parliamentary approval will not be forthcoming. The Parades Commission 2015-16 budget has been approved by the NIO. It has accordingly been considered appropriate to adopt a going concern basis for the preparation of the 2014-15 financial statements.

R MURRAY
Secretary and Accounting Officer

18 June 2015

DIRECTOR'S REPORT

FUNDING

The Parades Commission is a non-departmental public body (NDPB) sponsored by the NIO and is funded directly from expenditure voted by Parliament to the NIO. The budget is set with agreement of the Secretary of State for Northern Ireland. The Parades Commission current and capital expenditure form part of NIO's Resource DEL and Capital DEL Estimates respectively. In 2014-15, the Parades Commission was allocated a budget of £1,005k, including £10k for capital.

RELATIONSHIP WITH NIO

The Parades Commission's main point of contact in the NIO is the sponsor branch. Quarterly meetings are held between the sponsor branch and the secretariat, where matters relating to corporate governance, budgets, financing and accountability matters are discussed.

THE COMMISSION

The Commission's duties and functions are repeated from the strategic report. These are to:

- to promote greater understanding by the general public of issues concerning public processions;
- to promote and facilitate mediation as a means of resolving disputes concerning public processions;
- to keep itself generally informed as to the conduct of public processions and protest meetings; and
- to keep under review, and make such recommendations as it thinks fit to the Secretary of State concerning, the operation of the Act.

Consistent with the Act, the Commission may also:

- facilitate mediation between parties to particular disputes concerning proposed public processions and take such other steps as appear to the Commission to be appropriate for resolving disputes; and
- issue determinations in respect of particular proposed public processions.

ROLE OF THE CHAIR OF THE PARADES COMMISSION

The Chair is required to attend and chair Commission meetings, ensuring that these meetings are at appropriate intervals. The Chair must develop policy and provide strategic direction to the Commission to enable the effective and efficient performance of its statutory duties. The Chair must ensure personal and corporate compliance with the Code of Practice for Members of the Commission. The Chair must accept corporate responsibility for ensuring that the Commission complies with any statutory or administrative requirements for its use of public resources (including the promotion of regularity, propriety and value for money). The Chair shall assess the effectiveness and performance of the individual members of the Commission and report those assessments to the NIO. The Chair is responsible

for assessing the performance of the Secretary of the Commission, consulting with the NIO when carrying out that assessment.

COMMISSION MEMBERS

Members are appointed by the NIO. The term of appointment is three years. From 1 April 2014 until 31 March 2015, membership of the Commission was as follows:

Mrs Anne Henderson (Chair)
Ms Sarah Havlin
Ms Frances McCartney
Mr Paul Hutchinson
Mr Colin Kennedy

ANNE HENDERSON

Anne qualified as a chartered accountant in 1988. She worked for the accountancy firms KPMG and BDO Stoy Hayward in Belfast. During her three years in the international audit division of Time Warner Inc., she was based in New York and London and travelled extensively within the USA and across Europe. She has held a number of public appointments including as vice-chair, and briefly chair, of the Northern Ireland Housing Executive. She is a former board member of the International Fund for Ireland and the Enterprise Equity companies. She is a director of the Nomadic Trading Company and a member of the audit committee of Queen's University.

SARAH HAVLIN

Sarah qualified as a solicitor in 1997 and practiced as a professional legal advisor for 13 years. She is currently the Certification Officer of Northern Ireland, a quasi-judicial and regulatory role in the field of industrial relations. She has also held a number of other positions in public office, judicial decision-making, formal arbitration proceedings and regulatory affairs. Sarah holds a professional qualification in Policy Development from Boston College and also in Regulation from the London School of Economics and Political Science. She played a significant role in the review of local government in Northern Ireland, serving as an Assistant Local Government Boundaries Commissioner, Assistant District Electoral Areas Commissioner and as an independent Ministerial advisor on the terms and conditions of local government representatives under the new 11 Council Model of local government in Northern Ireland.

COLIN KENNEDY

Colin is Chief Executive of the Mary Peters Trust. Prior to taking up his current position he was Chief Executive of Lenken Healthcare (Ireland). He also spent 14 years in the finance industry. He is currently a member of the Mental Health Review Tribunal for Northern Ireland; a member of the Nursing and Midwifery Council (Fitness to Practice); a member of the Scrutiny Committee of the Pharmaceutical Society of Northern Ireland, and the Northern Ireland representative on the NHS Review Body. He served as Chairman of the General Dental Council Complaints Panel from 2006 to 2009.

FRANCES MCCARTNEY

Frances is a Judge (part-time) of the First Tier Tribunal, Social Security Tribunal for UK and the Immigration and Asylum Chamber UK. She is a partner in a Glasgow law firm and specialises in human rights claims, environmental planning and public law. She is also a senior tutor at the University of Glasgow. She has held a wide range of appointments that include: Board member of Friends of the Earth Scotland; Civil Legal Aid Committee; Law Society of Scotland; and Trustee of the Scottish Human Rights Trust, Midwifery Committee of the Nursing and Midwifery Council.

PAUL HUTCHINSON

Paul is the founder / director of Imagined Spaces, a company exploring creative community relations. A former Centre Director of Corrymeela (2009-14), Paul has a background in mental health, advocacy, mediation, and the Arts. He worked for 12 years with NI Association for Mental Health, as a manager, advocate, practitioner / therapist and researcher. He was Associate Lecturer at the University of Ulster from 1999-2002, teaching Advocacy and Empowerment skills. He was a Neighbourhood Renewal Advisor in North West England for 5 years, and worked for 7 years in community cohesion projects in Oldham, Burnley and Blackburn. Paul also has a background in various artistic fields as a documentary film-maker, writer and photographer. His latest film is Waiting and Silence (2015).

OTHER COMMITTEE

AUDIT AND RISK COMMITTEE

The Audit and Risk Committee is charged with ensuring that the Commission and Accounting Officer have the necessary assurance they require on risk management, governance and internal control. The Commission's Audit and Risk Committee met three times during 2014-15.

During the period 1 April 2014 to 31 March 2015, the Committee comprised the following members: Sarah Havlin (Chair), Colin Kennedy and Frances McCartney.

Other attendees include Internal Audit, National Audit Office, NIO Sponsor Branch, Secretary to the Commission, Deputy Secretary to the Commission, External Accountant and Corporate Governance Manager of the Parades Commission.

REGISTER OF INTERESTS

Commission members and secretariat staff are required to provide information of personal or business interests that might be perceived by a reasonable member of the public to influence their judgement in the exercise of their public duty.

The Parades Commission maintains a register of interests which is available for public inspection.

FINANCIAL MATTERS

AUDIT

The Comptroller and Auditor General has been appointed under section 12 (4) of schedule 1 to the Public Processions (Northern Ireland) Act 1998 to examine these accounts and report on the audit examination. The total fee of £15,000 in 2014-15 (2013-14: £15,000) relates to the provision of statutory audit services. He has not provided any other services to the Commission during the year.

DISCLOSURE OF INFORMATION TO THE AUDITOR

So far as the Accounting Officer is aware, there is no relevant audit information of which the Parades Commission's auditors are unaware, and the Accounting Officer has taken all steps that she ought to have taken to make herself aware of any relevant audit information and to establish that the Parades Commission's auditors are aware of that information. "Relevant audit information" means information needed by the entity's auditor in connection with preparing the audit report.

FINANCIAL RESULTS FOR THE YEAR

Net expenditure for the year was £964,021 (2013-14: £914,294). At the start of the financial year, the Commission was allocated a resource budget of £894,000 (2013-14: £903,000) and a £nil capital budget (2013-14: £100,000). During 2014, the Parades Commission actively pursued relocating from Windsor House, in order to make medium/longer term financial savings. In September 2014, the Parades Commission sourced suitable accommodation to relocate to. Additional resource budget cover of £100k was obtained from NIO to relocate. In November 2014, the Parades Commission obtained £10k capital budget to finalise the on-line notification system and make enhancements to its website. Final budget allocation for the 2014-15 financial year was £1,005k.

PENSION LIABILITIES

Details of how pension liabilities are treated can be found in Accounting Policy note 1.7. Additionally, further details in respect of pensions can be found in the Remuneration Report.

PROMPT PAYMENT

The Parades Commission is committed to the prompt payment of bills for goods and services received in accordance with the code of practice launched by the Department for Business, Innovation and Skills in December 2008 to help increase the speed of payments between customers and their suppliers. The NIO target is to achieve 80% payment with 5 working days.

During the financial year ended 31 March 2015 the Parades Commission achieved 80% (2013-14: 64%) of payments to suppliers within 5 working days.

EVENTS AFTER THE REPORTING DATE

There have been no significant events after the reporting date, which would affect the results for the year or the assets and liabilities at the year end.

OTHER MATTERS

MANAGING ATTENDANCE

The Parades Commission is comprised of seconded civil servants and manages attendance in line with the policies of secondees' parent departments. Staff absence arising as a result of illness, including injuries, disability or other health problems, was approximately 22 days per employee in 2014-15 (2013-14: four days) but after adjustments for long-term sickness, this is reduced to one day.

RISK MANAGEMENT AND REGISTER

Within the executive processes of the Parades Commission, there is now embedded a corporate Risk Register in line with Government guidance. Risks are identified, assessed in terms of likelihood and impact, and then ranked in terms of priority.

The Risk Register is kept under constant review and updated by Management as necessary. Management consider signs or warnings of risks altering, examine existing controls to reduce or manage risks and, if necessary, take additional action.

PRINCIPAL RISKS

The principal risk identified is anything that would prevent the Commission from discharging its statutory duties in respect of notified processions and related protests. The highest ranking risks relate to our infrastructure, including maintenance of IT and protection of our information.

INFORMATION ASSURANCE

The Commission is committed to safeguarding personal data it holds and follows the Information Assurance policies of the NIO, as its parent Department. Risks in this area are recorded in the Commission's Risk Register, and the Commission receives regular reports on measures to minimise the likelihood of occurrence of these, and other, risks. There was one personal data related incident which was reported to the NIO on 5 June 2014. No further action was deemed necessary by NIO.

DISABLED EMPLOYEES

The Parades Commission aims to ensure that there is no discrimination on the grounds of disability and that access to employment and career advancement in the Commission is based solely on ability, qualifications and suitability for the post. The Commission complies with all existing legislation in regard to its disabled employees.

EQUAL OPPORTUNITIES

In keeping with the NIO Equal Opportunities Policy Statement, everyone in the Parades Commission has the right of opportunity and to a good and harmonious working environment and atmosphere in which all staff are encouraged to apply their diverse talents and in which no member of staff feels under threat or intimidation.

EMPLOYEE INVOLVEMENT

The maintenance of a highly skilled workforce is key to the future of the business. The Parades Commission is committed to and complies with the policies of equal opportunity and responsibility for employee and career development of all staff.

The Parades Commission recognises the benefits of keeping employees informed of the progress of the business and of involving them in the Commissions performance. During the year the employees were regularly provided with information regarding the financial and economic factors affecting the performance of the Commission and on other matters of concern to them, as employees, through notices and regular staff meetings.

HEALTH AND SAFETY

The Parades Commission recognises its legal responsibilities in relation to the health and safety of its staff and is committed to operating an effective health and safety regime. In line with this commitment the Commission has complied with the relevant legislation.

SUSTAINABLE DEVELOPMENT

A full sustainable development report is not produced as the Parades Commissions staff complement is below the (250 employees) threshold. As a sponsored body of the NIO, the Parades Commission is signed up to the Carbon Reduction Energy Efficiency Scheme run by the Department of Energy and Climate Change. The aim of the scheme is to lower national carbon emissions by encouraging departments and businesses to become more energy efficient through energy saving projects.

The Commission has a recycling policy that involves the recycling of dry office waste, recycling of print cartridges and the ordering of recycled photocopying paper.

From March 2015, parade and protest organisers were able to notify of parades and parade related protests on-line, reducing use of paper.

CORPORATE SOCIAL RESPONSIBILITY

The Parades Commission does not have a policy covering corporate and social responsibility.

CORPORATE GOVERNANCE

The Commission is committed to maintaining a high standard of corporate governance. The Accounting Officer and Chair of the Commission provide strategic leadership and ensure the effective and efficient management of resources. All Commissioners are familiar with and abide by the requirements set out in the Commission's Code of Conduct. A robust risk management framework is maintained and reviewed regularly.

R MURRAY
Secretary and Accounting Officer

18 June 2015

REMUNERATION REPORT

REMUNERATION POLICY

The remuneration of the Chair and Commissioners is determined by the Secretary of State for Northern Ireland.

The Parades Commission does not directly employ staff, it seconded staff from the Home Civil Service (HCS) or the Northern Ireland Civil Service (NICS).

For senior civil servants seconded from HCS, the remuneration is set by the Prime Minister, following independent advice from the Review Body on Senior Salaries. In reaching its recommendations, the Review Body has regard to the following considerations:

- the need to recruit, retain and motivate suitably able and qualified people to exercise their responsibilities;
- regional/local variations in labour markets and their effects on the recruitment and retention of staff;
- Government policies for improving the public services, including the requirement on departments to meet the output targets for the delivery of departmental services;
- the funds available to departments as set out in the Government's departmental expenditure limits; and
- Government's inflation target.

For senior civil servants seconded from NICS, the remuneration is set by the Minister for Finance and Personnel following independent advice from the Review Body on Senior Salaries.

Further information about the work of the Review Body can be found at www.ome.uk.com.

The remuneration of all senior civil servants is entirely performance-related. Performance is appraised by line managers in respect of achievement of agreed objectives.

SERVICE CONTRACTS

The Constitutional Reform and Governance Act 2010 requires HCS appointments to be made on merit on the basis of fair and open competition. The Recruitment Principles published by the Civil Service Commission specify the circumstances when appointments may be made or otherwise. Unless otherwise stated below, the officials covered by this report hold appointments which are open-ended. Further information about the Civil Service Commissioners can be found at www.civilservicecommission.org.uk

NICS appointments are made in accordance with the Civil Service Commissioners for Northern Ireland's Recruitment Code, which requires appointment to be on merit on the basis of fair and open competition but also includes the circumstances

when appointments may otherwise be made. Unless otherwise stated below, the officials covered by this report hold appointments which are open-ended. Policy relating to notice periods and termination payments is contained in the NICS Staff Handbook. Further information about the Civil Service Commissioners can be found at www.nicscommissioners.org

Details of salaries and allowances paid, benefits in kind and accrued pension entitlement are shown below.

AUDITED

COMMISSIONERS' NUMBERS AND COSTS

The total emoluments of the Commissioners (including the Chairperson) during the year ended 31 March 2015 amounted to £155,361 (2013-14: £177,021) and the expenses incurred by the Commissioners were £8,194 (2013-14: £17,515). Both the Chair and Commissioners are non-Northern Ireland Civil Service, therefore they are not pensionable. The salary entitlement of the Chair and Commissioners for 2014-15 was as follows:

AUDITED

The following members commenced membership of the Commission on 1 January 2011 and ceased membership on 31 December 2013 with exceptions listed below*.

| Commission Member | 2014-15 | | 2013-14 | |
|--------------------------|----------------------|---------------------------------------|----------------------|---------------------------------------|
| | Salary Range £000 | Benefits in Kind (to nearest £100) | Salary Range £000 | Benefits in Kind (to nearest £100) |
| Peter Osborne (Chair) | - | - | 45-50 (FYE 60-65) | - |
| Douglas Bain | - | - | 10-15 (FYE 15-20) | - |
| Delia Close | - | - | 15-20 (FYE 20-25) | - |
| Brian Kennaway | - | - | 15-20 (FYE 20-25) | - |
| Catriona King ** | - | - | 0 | - |
| Frances Nolan | - | - | 10-15 (FYE 15-20) | - |
| Robin Percival | - | - | 15-20 (FYE 20-25) | - |
| George Patterson *** | - | - | 10-15 (FYE 20-25) | - |

* The Chair and members were paid on a per diem basis at the rates of £500 and £250 respectively. The amount of time that Commissioners are expected to devote to Commission business, over the course of a year, is an average of approximately two days per week with a proportionately greater commitment required during the summer months.

** Dr Catriona King resigned on 31 January 2013.

*** Mr George Patterson was appointed June 2013.

The following members commenced membership of the Commission on 1 January 2014. The term of office is for three years ending on 31 December 2017.

| Commission Member | 2014-15 | | 2013-14 (restated) | |
|---------------------------|----------------------|--|-------------------------|---|
| | Salary Range £000 | Benefits in Kind (to nearest £100) | Salary Range £000 | Benefits in Kind (to nearest £100) |
| Anne Henderson (Chair) | 50-55 | - | 10-15 (FYE 50-55) | - |
| Sarah Havlin | 20-25 | - | 5-10 (FYE 20-25) | - |
| Colin Kennedy | 20-25 | £600 | 5-10 (FYE 20-25) | - |
| Frances McCartney* | 20-25 | £9,100 | 5-10 (FYE 20-25) | £3,800 |
| Paul Hutchinson | 20-25 | £900 | 5-10 (FYE 20-25) | - |

* Frances McCartney is not a resident of Northern Ireland and therefore is required to travel to Belfast to attend Commission meetings. The Parades Commission reimburses Ms McCartney for the costs of flights, transport, car parking and hotel (if required).

The Commissioners are expected to devote approximately two days per week to Commission business over the course of a year, with a proportionately greater commitment required during the summer months.

AUDITED

| Single total figure of remuneration | | | | | | | | | | |
|--|-----------------------|---------|-------------------------------|---------|---|---------|--------------------------------|---------|----------------------|---------|
| Officials | Salary (£'000) | | Bonus payments (£'000) | | Benefits in kind (to nearest £100) | | Pension benefits (£)*** | | Total (£'000) | |
| | 2014-15 | 2013-14 | 2014-15 | 2013-14 | 2014-15 | 2013-14 | 2014-15 | 2013-14 | 2014-15 | 2013-14 |
| Ms Rene Murray* | 50-55 (FYE 60-65) | - | - | - | - | - | 117,547 | - | 170-175 | - |
| Mr Anthony Carleton** | 15-20 (FYE 65-70) | 65-70 | - | - | - | - | -1,180 | 7,628 | 15-20 | 75-80 |

* Ms Rene Murray is the Secretary/Accounting Officer, from 9 June 2014.

** Mr Anthony Carleton was Secretary/Accounting Officer for the period 13 December 2011 to 6 June 2014.

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

There were no bonuses paid in 2014-15 (2013-14: £Nil).

The Commission is required to disclose the relationship between the remuneration of the most highly-paid Director or Commissioner in the organisation and the median remuneration of the organisation's workforce.

| | 2014-15 | 2013-14 (restated) |
|---|--------------------|---------------------------|
| | Salary £000 | Salary £000 |
| Band of Highest Paid Director's/Commissioner's FTE Total Remuneration | 65-70 | 65-70 |
| Median Total Remuneration | £23,952 | £24,728 |
| Ratio | 2.82 | 2.73 |

The highest paid Director in the Parades Commission in the financial year 2014-15 was £65,000 - £70,000 (2013-14 (restated): £65,000 - £70,000). 2013-14 is restated as the interpretation of financial reporting requirements has changed. As

the Commissioners are now salaried, their salary is the Full Year Equivalent and Full Time Equivalent pay. In 2014-15, the salary of the highest paid Director, was 2.82 times (2013-14 (restated): 2.73 times) the median remuneration of the workforce, which was £23,952 (2013-14 (restated): £24,728). The increase from 2.73 to 2.82 is mainly due to a slight decrease in the median salary as a result of staff changes.

Remuneration ranged from £17,620 to £65,422 (2013-14: £18,946 to £68,278).

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

| | Real increase in pension at pension age and lump sum at 31/3/15 | Total accrued pension at pension age at 31/03/15 and related lump sum | Cash Equivalent Transfer Value at 31/03/14 | Cash Equivalent Transfer Value at 31/03/15 | Real increase in CETV |
|--------------------|---|---|--|--|-----------------------|
| | £000 | £000 | £000 | £000 | £ |
| Rene Murray | 5-7.5 plus lump sum of 15-17.5 | 25-30 plus lump sum of 80-85 | 410 | 528 | 98 |
| Anthony Carleton** | 0-2.5 plus lump sum of 0-2.5 | 25-30 plus lump sum of 75-80 | 465 | 471 | 4 |

* Ms Rene Murray is the Secretary/Accounting Officer, from 9 June 2014.

** Mr Anthony Carleton was Secretary/Accounting Officer for the period 13 December 2011 to 6 June 2014.

The actuarial factors used to calculate CETVs were changed in 2010-11.

SALARY

This report is based on accrued payments made by the Commission and thus recorded in these accounts. "Salary" includes gross salary; overtime; recruitment and retention allowances; private office allowances and any other allowances to the extent that it is subject to UK taxation.

BENEFITS IN KIND

The monetary value of benefits in kind covers any benefits provided by the Parades Commission and treated by HM Revenue and Customs as a taxable emolument. Frances McCartney is not a resident of Northern Ireland and therefore is required to travel to Belfast to attend Commission meetings. The Parades Commission reimburses Ms McCartney for the costs of flights, transport, car

parking and hotel (if required). As this travel relates to travel to and from her place of work, these expenses are chargeable to tax under s163 of the Income and Corporation Taxes Act 1988, 2014-15: £9,055 (2013-14 (re-stated): £3,838).

PENSION

Pension benefits are provided through the Civil Service pension arrangements. From 30 July 2007, civil servants may be in one of four defined benefit schemes: either a final salary scheme (classic, premium or classic plus); or a whole career scheme (nuvos). These statutory arrangements are unfunded with the cost of benefits met by monies voted by Parliament each year. Pensions payable under **classic, premium, classic plus** and **nuvos** are increased annually in line with Pensions Increase legislation. Members joining from October 2002 may opt for either the appropriate defined benefit arrangement or a 'money purchase' stakeholder pension with an employer contribution (**partnership** pension account).

Employee contributions are salary-related and range between 1.5% and 6.25% of pensionable earnings for **classic** and 3.5% and 8.25% for **premium, classic plus** and **nuvos**. Increases to employee contributions will apply from 1 April 2014. Benefits in **classic** accrue at the rate of 1/80th of final pensionable earnings for each year of service. In addition, a lump sum equivalent to three years initial 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. **classic plus** is essentially a hybrid with benefits for service before 1 October 2002 calculated broadly as per **classic** and benefits for service from October 2002 worked out as in **premium**. In **nuvos** a member builds up a pension based on his pensionable earnings during their period of scheme membership. At the end of the scheme year (31 March) the member's earned pension account is credited with 2.3% of their pensionable earnings in that scheme year and the accrued pension is uprated in line with Pensions Increase legislation. In all cases members may opt to give up (commute) pension for a lump sum up to the limits set by the Finance Act 2004.

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

The accrued pension quoted is the pension the member is entitled to receive when they reach pension age, or immediately on ceasing to be an active member of the scheme if they are already at or over pension age. Pension age is 60 for members of classic, premium and classic plus and 65 for members of nuvos.

Further details about the Civil Service pension arrangements can be found at the website:<http://www.civilservicepensionscheme.org.uk/employers/employer-pension-notice/e430/>

Both the Chair and Commissioners are non-Northern Ireland Civil Service, therefore their salaries are not pensionable.

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 figures include the value of any pension benefit in another scheme or arrangement which the member has transferred to the Civil Service pension arrangements. They also include any additional pension benefit accrued to the member as a result of their buying additional pension benefits at their own cost. CETVs are worked out within the guidelines and framework prescribed by the Institute and Faculty of Actuaries and do not take account of any actual or potential reduction to benefits resulting from Lifetime Allowance Tax which may be due when pension benefits are taken.

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.

R MURRAY
Secretary and Accounting Officer

18 June 2015

STATEMENT OF ACCOUNTING OFFICER'S RESPONSIBILITIES

Under paragraph 12(1) and para (2) of Schedule 1 to the Public Processions (Northern Ireland) Act 1998, the Secretary of State (with the consent of HM Treasury and Northern Ireland Office) has directed the Parades 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 Parades Commission for Northern Ireland and of its net resource outturn, application of resources, changes in taxpayers' equity and cash flows for the financial year.

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

- observe the Accounts Direction issued by the Northern Ireland Office on behalf of the Secretary of State, 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; and
- prepare the financial statements on a going concern basis.

The Accounting Officer of the Northern Ireland Office has designated the Secretary as the Accounting Officer for the Parades Commission for Northern Ireland. The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which the Accounting Officer is answerable, for keeping proper records and for safeguarding the Parades Commission for Northern Ireland's assets, are set out in *Managing Public Money* published by the HM Treasury.

GOVERNANCE STATEMENT

1. Introduction and Context

The Parades Commission is an independent executive non departmental public body sponsored by the Northern Ireland Office (NIO) which was created on 27 March 1997. It was given statutory responsibilities on 16 February 1998 by the commencement of the Public Processions (Northern Ireland) Act 1998.

From 1 April 2014 – 31 March 2015, the Commission consisted of five Commissioners, including its Chair. It is supported by a secretariat. The secretariat had on average 9 seconded staff, including myself, the Secretary, also seconded. I am also appointed as Accounting Officer. The Commission normally meets on a weekly basis and its approval is required for any significant changes relating to the operation of the Commission. The Commission also has an Audit and Risk Committee which meets formally three times a year, or more frequently as required, to assist and advise the Accounting Officer on her governance responsibilities. Any recommendations made by the Audit and Risk Committee have to be approved by the Commission.

Management and I meet with the sponsor division within the NIO on a quarterly basis to discuss corporate issues.

2. Scope of Responsibility

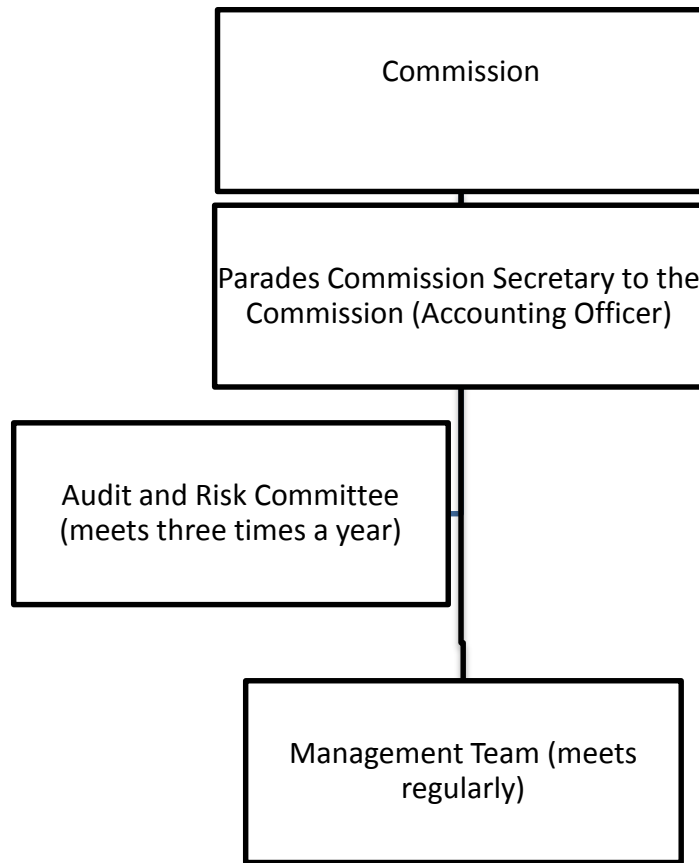
I was appointed Accounting Officer on 9 June 2014, and was advised about the system of internal control in operation prior to my appointment by my predecessor and the Chair of the Audit and Risk Committee.

As Accounting Officer, I have responsibility for maintaining a sound system of internal governance that supports the achievement of the Parades Commission's policies, aims and objectives, whilst safeguarding the public funds and departmental assets for which I am personally responsible, in accordance with the responsibilities assigned to me in Managing Public Money. As such, I am responsible for ensuring propriety and regularity in the handling of those public funds; and for the day-to-day operations and management of the Commission.

In my role as Secretary to the Commission, I am responsible for the effective operation of the secretariat and for managing its financial and manpower resources. I provide advice and support to the Chair and Commissioners in support of their aims and objectives and in undertaking their statutory responsibilities. One of the statutory responsibilities is "to keep under review, and make such recommendations as it thinks fit to the Secretary of State, concerning, the operation of the Act". There were no recommendations made to the Secretary of State in 2014-15. There were no Ministerial directions in the 2014-15 financial year.

3. Governance Framework

In my role as Accounting Officer, I function with the support of the Audit and Risk Committee, IT Project Board and my Management Team. This is outlined below:



Audit and Risk Committee

The Audit and Risk Committee supports the Accounting Officer and the Commission in their responsibilities for issues of risk control and governance by reviewing whether proportionate assurances for meeting the Commission's and Accounting Officer's responsibilities are available and by testing the reliability and integrity of these assurances. This includes oversight of the effective operation and impact of the Framework document and the Commission's business planning process.

The Audit and Risk Committee is comprised of three Commissioners and is attended by the Accounting Officer, Corporate Governance Manager, Internal Audit, the National Audit Office (as external auditors) and the sponsor department. The Committee meets three times per year and more frequently as required. In addition to providing all Commissioners with a copy of the minutes of meetings of

the Committee, the Chair of the Audit and Risk Committee briefs the Commission after each meeting.

Membership and Attendance at the Audit and Risk Committee is disclosed in table below:

| Commissioner / Secretariat | Audit and Risk Committee Attendance |
|-----------------------------------|--|
| Sarah Havlin (Chair) | 2/3 |
| Frances McCartney | 1/3 |
| Colin Kennedy | 3/3 |
| Rene Murray* | 2/2 |
| Anthony Carleton** | 1/1 |

* Secretary to the Commission, in post from 9 June 2014.

** Former Secretary to the Commission, in post until 6 June 2014.

The Audit and Risk Committee, over the course of the year, fulfilled its role in reviewing the comprehensiveness of assurances, risk processes, and the integrity of financial reports to be able to provide assurance on same to the Commission.

During the 2014-15 financial year the Audit and Risk Committee advised the Commission on the following significant areas:

- The accounting policies, the accounts and the annual report of the organisation, including the process for review of the accounts prior to submission for audit, level of errors identified and managements letter of representation to the external auditors;
- The planned activity and results of both internal and external audit;
- The adequacy of managements responses to issues identified by audit activity, including the external auditor's Audit Completion Report and the progress on the implementation of recommendations from internal and external audit reports; and
- Specific, significant issues for the attention of the Committee.

Based on the views expressed by the Accounting Officer, the Internal Auditors and the External Auditors, the Committee was satisfied with its overall effectiveness.

IT Project Board

Finalising the upgrade of the Parades Commission ICT system was the only capital project in 2014-15. The contract was awarded in October 2013 and work was initiated promptly. From its inception, the delivery of the project has been overseen by an IT Project Board. The Project Board provides clear lines of accountability and roles and relationships within the project, and provides advice and assurance to me, as the Accounting Officer.

The Project Board is chaired by the Secretary with the Deputy Secretary and

Corporate Governance Manager in attendance. In 2014-15, the Project Board met twice, prior to the parade management element of the system “going live” in May 2014.

Membership and Attendance at the Project Board is disclosed in the following table:

| Secretariat | Attendance |
|--|-------------------|
| Anthony Carleton (Secretary*) | 2/2 |
| Trevor Palmer (Deputy Secretary) | 2/2 |
| Sarah-Jane Mowbray (Corporate Governance Manager) | 2/2 |

* Former Secretary to the Commission, in post until 6 June 2014.

4. Corporate Governance Code

The Commission conducts its affairs in accordance with a comprehensive corporate governance framework. Although not part of central government, the Commission is expected to follow the Corporate Governance Code (*Corporate governance in central government departments, code of good practice, published by HM Treasury and the Cabinet Office, July 2011*) as far as applicable. The Commission is compliant with the Code in a number of ways. The Commission has a comprehensive Framework document agreed with the NIO which sets down its values and principles, and lines of accountability. This framework document was formally reviewed and approved by the Commission and Audit and Risk Committee in 2014-15.

I complete Stewardship Statements bi-annually, based on my own knowledge plus assurances from managers within the secretariat. These statements are sent to the sponsor department. The purpose of the statements is to improve management and control by identifying management’s specific responsibilities and seeking a written assurance that they have been exercised with due care and attention. These statements also inform the content of this Governance Statement.

5. Commission’s Performance

Throughout 2014-15, the Commission effectively discharged their statutory functions and duties. They listened to evidence and where necessary, issued determinations on parades and parade related protests. In line with best practice, the operational procedures of the Commission and the quality of data used by the Commission is kept under continuous review to ensure that the Commission is content that it is provided with all requisite information to enable it to make informed decisions.

The current Commission, with assistance from the secretariat, developed systems and processes within the Parades Commission. The Commission was content to

continue with in strategic direction outlined during the ‘Strategic Planning 2014-17’ in February 2014. The four strategic objectives seek to empower and support communities to take control and make their own decisions; commit to improving strategic engagement with parades organisers, protest groups and wider groups; to promote positive feedback / success stories of positive parades; and, explore strategic partnerships to enhance the work of the Commission.

With these strategic objectives agreed, in March 2015, the Commission developed its objectives for the forthcoming year, forming a basis for the 2015-16 Business Plan. The objectives set for 2015-16 reflect the Commission’s statutory duties and functions, incorporating its strategic vision. The 2015-16 Business Plan can be found on the website¹.

The Commissioners completed a self-assessment, to evaluate their performance in 2014-15. The Commission has now completed one year of its three year appointment and is generally content that all areas are operating effectively. One concern was raised regarding “Induction and development programmes [to] ensure Commission members remain up-to-date throughout their time on the Commission”. The Commission secretariat will liaise with the Chair of the Commission to address this concern.

The Commission does not lead on the governance statement, which is written by the Accounting Officer, reviewed by the Audit and Risk Committee, and cleared by Commission before publication.

6. Internal Audit Reports Submitted to Audit and Risk Committee

In 2014-15, ASM were appointed as internal auditors to the Parades Commission, through a tender competition. The services provided by ASM operate to standards defined by the Public Sector Internal Audit Standards.

Internal Audit’s work plan is informed by an analysis of the risk to which the Commission is exposed.

Internal Audit’s findings are presented to the Audit and Risk Committee and copies of all final reports are sent to me, as Accounting Officer. In addition, Internal Audit provides an annual written statement to the Audit and Risk Committee, setting out a formal opinion on the adequacy and effectiveness of the Committee’s risk management, control and governance processes. Internal Audit conducted reviews on the following activities during 2014-15:

- Review of the Commission’s preparation to move premises;

¹ <https://www.paradescommission.org/getmedia/43948ffb-d964-46b6-960b-641bc723f9af/NorthernIrelandParadesCommission.aspx>

- Review of Payroll *;
- Follow-up Review;

* The original Internal Audit Strategy planned for a “Post Implementation Review of Notification Management System (NMS)”. However, due to slippage implementing the NMS, approval was received from the audit and risk committee to amend the Strategy, so the “Review of Payroll” was completed in 2014-15. The “Post Implementation Review of NMS” will be completed in 2015-16.

Review of the Commission’s preparation to move premises – Internal Audit concluded that the Commission had adequately considered a range of issues associated with moving premises.

Only one review, Review of Payroll, provided an assurance rating. The report was given a “substantial” level of assurance. The review identified that the Commission established an overarching procedures document that sets out its responsibilities in relation to the monitoring, management and processing of payroll and travel and subsistence. The review identified that the Commission receives a monthly report from HR Connect in relation to the secretariat’s payroll costs, and a monthly report from the NIO in relation to Commissioners’ payroll costs. Internal Audit noted that the Corporate Governance Manager reviews the reports for accuracy and investigates any discrepancies within the reports with either the NIO or HR Connect. Internal Audit reviewed a sample of travel and subsistence claims and identified that appropriate policies and procedures were followed.

The Follow-up Review concluded that of the 15 recommendations made in 2013-14, nine were fully implemented, two were partially implemented, two were not implemented and two were no longer deemed applicable. The two recommendations not implemented related to a formal training plan for Commissioners and secretariat.

In the Annual Assurance Statement, the Internal Auditors stated that, during the year ended 31 March 2015; the Commission’s systems in relation to risk management, control and governance were adequate and operated effectively, thereby providing an overall substantial assurance in relation to the effective and efficient achievement of the Commission’s objectives.

7. Risk Assessment

The Commission’s corporate governance controls are designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. Risks are managed on an ongoing basis in a process that is 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 and the impact should they be realised; and to manage them efficiently, effectively and economically. The system of internal control has been

in place in the Parades Commission for the year ended 31 March 2015 and up to the date of approval of the annual report and accounts, and accords with Treasury guidance.

The system is based on a framework of regular management information, administrative procedures, including the segregation of duties, and a system of delegation and accountability. In particular it includes:

- Comprehensive budgeting systems with an annual budget which is reviewed and agreed by the Secretary to the Commission;
- Regular reviews of periodic and annual financial reports which indicate financial performance; and
- As appropriate, formal project management disciplines.

Throughout the year the Commission had a risk register in place that has been assessed and considered at management level. The register had been scrutinised, discussed and ratified at both the Audit and Risk Committee and the Commission.

The Commission operates a “traffic light” corporate risk register in line with Government guidance. The Commission revised its corporate risk register based upon feedback received from its internal auditors, such as assigning a risk owner and amending the format of the register. The register was kept under constant review, with a formal quarterly review, and updated by management as necessary. Risks were identified, assessed in terms of likelihood of occurrence and impact of risk. Management considered signs of risks changing, examined existing risk control tools and, if necessary, took remedial action.

The Commission’s risks were identified by the Commissioners, by me as Accounting Officer and by my management team and they were ratified by the Audit and Risk Committee and the Commission. The risks have been ranked according to ‘Likelihood’ and ‘Impact’. We have also assessed what actions are in place, or need to be taken, to mitigate the organisational risks identified.

During the course of the year our main risks were financial and reputational risks, including maintenance of IT and protection of our information. Two new risks emerged in 2014-15, namely the relocation of the Parades Commission and the failure to deliver on-line notifications.

The risks associated to the relocation of business premises included disruption to business continuity through loss / damage to assets, delays in transferring IT systems and poor value for money. Controls in place included a relocation plan and business case which was reviewed and approved by NIO. The Parades Commission successfully relocated in February 2015. This risk has been removed from the risk register.

The risks around the failure to deliver the on-line notification system included the loss of time and finance invested and reputational risk of a project not completing.

Sufficient and appropriate controls were in place, such as various project management controls. The on-line notification system went live in March 2015. This risk has evolved into a legal risk, concerning the potential for legal challenges to on-line notices and electronic signatures.

On-going operational risks are managed as follows:

- As an on-going process any risk is identified, evaluated and controlled by me and my management team and following advice from the Audit and Risk Committee;
- Any changes to the assessment and evaluation of risk noted by the Audit and Risk Committee and ratified by the full Commission;
- And the full Commission's lead on determining and evaluating the Commission's risks.

These risks are communicated to staff by management, at monthly secretariat meetings and in the risk register.

8. Personal Data Related Incidents

There was one personal data related incident which was reported to the NIO on 5 June 2014. No further action was deemed necessary by NIO.

9. Significant Internal Control Issues

There were no significant internal control issues identified during 2014-15.

R MURRAY
Secretary and Accounting Officer

18 June 2015

THE CERTIFICATE AND REPORT OF THE COMPTROLLER AND AUDITOR GENERAL TO THE HOUSES OF PARLIAMENT

I certify that I have audited the financial statements of Parades Commission for Northern Ireland for the year ended 31 March 2015 under the Public Processions (Northern Ireland) Act 1998. The financial statements comprise: the Statements of Comprehensive Net Expenditure, Financial Position, Cash Flows, Changes in Taxpayers' Equity; and the related notes. These financial statements have been prepared under the accounting policies set out within them. I have also audited the information in the Remuneration Report that is described in that report as having been audited.

Respective responsibilities of the Commission, Accounting Officer and auditor

As explained more fully in the Statement of Accounting Officer's Responsibilities, the Accounting Officer is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. My responsibility is to audit, certify and report on the financial statements in accordance with the Public Processions (Northern Ireland) Act 1998. I conducted my audit in accordance with International Standards on Auditing (UK and Ireland). Those standards require me and my staff to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Parades Commission for Northern Ireland's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Parades Commission for Northern Ireland; and the overall presentation of the financial statements. In addition I read all the

financial and non-financial information in the Strategic Report, Director's Report and Governance Statement to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by me in the course of performing the audit. If I become aware of any apparent material misstatements or inconsistencies I consider the implications for my certificate.

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

Opinion on regularity

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

Opinion on financial statements

In my opinion:

- the financial statements give a true and fair view of the state of the Parades Commission for Northern Ireland's affairs as at 31 March 2015 and of the net expenditure for the year then ended; and
- the financial statements have been properly prepared in accordance with the Public Processions (Northern Ireland) Act 1998 and Secretary of State directions issued thereunder.

Opinion on other matters

In my opinion:

- the part of the Remuneration Report to be audited has been properly prepared in accordance with Secretary of State directions made under the Public Processions (Northern Ireland) Act 1998; and
- the information given in the Strategic Report, Director's Report and Governance Statement for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which I report by exception

I have nothing to report in respect of the following matters which I report to you if, in my opinion:

- adequate accounting records have not been kept or returns adequate for my audit have not been received from branches not visited by my staff; or
- the financial statements and the part of the Remuneration Report to be audited are not in agreement with the accounting records and returns; 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 HM Treasury's guidance.

Report

I have no observations to make on these financial statements.

Sir Amyas C E Morse
Comptroller and Auditor General

Date 24.06.2015

National Audit Office
157-197 Buckingham Palace Road
Victoria
London
SW1W 9SP

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

| | | 2014-15 | 2013-14 |
|---|-------|----------------|----------------|
| | Notes | £ | £ |
| Expenditure | | | |
| Staff costs | 2 | 555,013 | 531,157 |
| Other Expenditures | 3 | 383,268 | 374,398 |
| Depreciation and amortisation | 3 | 24,834 | 6,973 |
| Revaluation | 5 | (165) | 1,766 |
| (Gain) / Loss on disposal | 5 | 1,071 | - |
| Net Expenditure | | 964,021 | 914,294 |
| | | | |
| Other Comprehensive Expenditure | | | |
| Items that will not be reclassified to net operating costs: | | | |
| Net (gain)/loss on revaluation of Property, Plant and Equipment | 5 | (291) | 1,278 |
| Net (gain)/loss on revaluation of Intangibles | 6 | (765) | 255 |
| Total Comprehensive Expenditure for the year ended 31 March 2015 | | 962,965 | 915,827 |

The above expenditure is derived from continuing operations.

The notes on pages 43 - 56 form part of these accounts.

**Statement of Financial Position
as at 31 March 2015**

| | | 2014-15 | | 2013-14 | |
|--|-------|------------|-------------------|------------|-------------------|
| | Notes | £ | £ | £ | £ |
| Non-current assets: | | | | | |
| Property, plant and equipment | 5 | | 35,179 | | 47,044 |
| Intangible assets | 6 | | 61,068 | | 63,699 |
| Total non-current assets | | | 96,247 | | 110,743 |
| Current assets: | | | | | |
| Trade and other receivables | 8 | 17,019 | | 24,937 | |
| Cash and cash equivalents | 9 | | - | | - |
| Total current assets | | | 17,019 | | 24,937 |
| Total assets | | | 113,266 | | 135,680 |
| Current liabilities: | | | | | |
| Trade and other payables | 10 | (211,499) | | (154,868) | |
| Total current liabilities | | | (211,499) | | (154,868) |
| Non-current assets less net current liabilities | | | (98,233) | | (19,188) |
| Non-current liabilities: | | | | | |
| Other Payables | | | - | | - |
| Assets less liabilities | | | (98,233) | | (19,188) |
| Taxpayers' equity | | | | | |
| Revaluation reserve | | | 1,028 | | 356 |
| General reserve | | | (99,261) | | (19,544) |
| | | | (98,233) | | (19,188) |

The financial statements on pages 39-42 were approved by the Commission on 18 June 2015 and were signed on its behalf by:

R Murray

18 June 2015

Accounting Officer

Date

The notes on pages 43 - 56 form part of these accounts.

**Statement of Cash Flows
for the year ended 31 March 2015**

| | | 2014-15 | 2013-14 |
|--|--------------|------------------|--------------------|
| | Notes | £ | £ |
| Cash flows from operating activities | | | |
| Net Expenditure | | (964,021) | (914,294) |
| Adjustments for non-cash transactions: | | | |
| Depreciation & amortisation | 5,6 | 24,834 | 6,973 |
| Revaluations through SoCNE | | (165) | 1,766 |
| Adjust for gain / (loss) on disposal | | 1,071 | - |
| (Increase) / decrease in trade and other receivables | 8 | 7,918 | (4,554) |
| <i>Less movements in receivables relating to items not passing through the Net Expenditure account</i> | | | |
| Increase / (decrease) in trade payables | 10 | 56,631 | (405,979) |
| <i>Less movements in payables relating to items not passing through the Net Expenditure account</i> | | 45,006 | (45,006) |
| Net cash outflow from operating activities | | (828,726) | (1,361,094) |
| Cash flows from investing activities | | | |
| Purchase of property, plant and equipment | | (11,888) | (26,257) |
| Purchase of intangible assets | | (43,306) | (28,800) |
| Net cash outflow from investment activities | | (55,194) | (55,057) |
| Cash flows from financing activities | | | |
| Funding from Parent Department | | 883,920 | 1,416,051 |
| Net cash inflow from financing activities | | 883,920 | 1,416,051 |
| Net decrease in cash and cash equivalents in the period | 9 | - | (100) |
| Cash and cash equivalents at the beginning of the period | 9 | - | 100 |
| Cash and cash equivalents at the end of the period | 9 | - | - |

The notes on pages 43 - 56 form part of these accounts.

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

| | | General Reserve | Revaluation Reserve | Total Reserves |
|---|--------------|------------------------|----------------------------|-----------------------|
| | Notes | £ | £ | £ |
| Balance at 1 April 2013 | | (527,569) | 8,157 | (519,412) |
| Changes in Taxpayers' equity for 2013-14 | | | | |
| Net gain/(loss) on revaluation of property, plant and equipment | 5 | - | (1,278) | (1,278) |
| Net gain/(loss) on revaluation of intangible assets | 6 | - | (255) | (255) |
| Comprehensive Expenditure for the year | | (914,294) | - | (914,294) |
| Transfers between reserves | | 6,268 | (6,268) | |
| Funding from Parent | | 1,416,051 | - | 1,416,051 |
| Balance at 31 March 2014 | | (19,544) | 356 | (19,188) |
| Changes in Taxpayers' equity for 2014-15 | | | | |
| Net gain/(loss) on revaluation of property, plant and equipment | 5 | - | 291 | 291 |
| Net gain/(loss) on revaluation of intangible assets | 6 | - | 765 | 765 |
| Comprehensive Expenditure for the year | | (964,021) | - | (964,021) |
| Transfers between reserves | | 384 | (384) | - |
| Funding from Parent | | 883,920 | - | 883,920 |
| Balance at 31 March 2015 | | (99,261) | 1,028 | (98,233) |

The element of the closing revaluation reserve relating to intangibles is £660 (2013-14: £71).

The notes on pages 43 – 56 form part of these accounts.

Notes to the Parades Commission's Accounts for the year ended 31 March 2015

1. Statement of accounting policies

The Financial statements have been prepared in accordance with the 2014-15 Government Financial Reporting Manual (FReM) issued by HM Treasury. 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 Parades Commission for Northern Ireland for the purpose of giving a true and fair view has been selected. The particular policies adopted by the Parades Commission for Northern Ireland for the year ending 31 March 2015 are described below. They have been applied consistently in dealing with items that are considered material to the accounts.

1.1 Accounting convention

The accounts have been prepared in accordance with the historical cost convention, modified by the revaluation of non-current assets.

The accounts comply with the accounting standards issued or adopted by the Accounting Standards Board, FReM and accounting and disclosure requirements issued by the Treasury, insofar as those requirements are appropriate.

1.2 Critical accounting estimates and key judgements

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

(i) - Depreciation of property, plant and equipment

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

(ii) - Impairment of property, plant and equipment

Where there is an indication that the carrying value of items of property, plant and equipment may have been impaired through events or changes in circumstances, a review will be undertaken of the recoverable amount of that asset.

1.3 Funding

The Parades Commission is funded directly from expenditure voted by Parliament to the Northern Ireland Office.

1.4 Property, plant and equipment and depreciation

Expenditure on items, or groups of items, of property, plant and equipment costing £1,000 or more (including VAT) is capitalised. Expenditure on a complete computer unit is classified as capital expenditure regardless of the price. Expenditure on printer is classified as capital expenditure if the purchase cost of an individual item (including VAT) is over £500.

On initial recognition, separate component assets are identified and are measured at cost including any costs such as installation directly attributable to bringing them into working condition. Owned assets are subsequently re-valued annually using appropriate indices compiled by the Office for National Statistics.

All non-property operational assets are measured at cost and are subsequently re-valued annually using appropriate indices compiled by the Office for National Statistics (ONS).

Depreciation is provided on a straight line basis at rates calculated to write-off the cost less estimated residual value of each asset over its expected useful life. Depreciation is charged in the month following acquisition. The estimated useful lives for depreciation purposes are:

| | |
|------------------------|----------------------------|
| Furniture & equipment | 15 years |
| Computer hardware | 5 years |
| Computer servers | 5 years |
| Leasehold Improvements | 4 Years or length of lease |

1.5 Intangible Assets

Identifiable intangible assets are recognised when the Commission controls the asset, it is probable that future economic benefits attributable to the asset will flow to the Commission and the cost of the assets can be reliably measured.

The Commission's intangible assets consist of software licences where expenditure is £1,000 (including VAT) or more.

Intangible assets are re-valued annually using appropriate indices compiled by the ONS. Amortisation is provided on a straight line basis. The estimated useful lives for amortisation purposes are:

| | |
|---------------------|---------|
| Software licences | 5 years |
| Website development | 5 years |
| Computer software | 5 years |

1.6 Operating Leases

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

1.7 Pensions

Past and present employees are covered by the provisions of the Principal Civil Service Pension Schemes (PCSPS) and the Principal Civil Service Pension Schemes (NI) (PCSPS (NI)) which are described in Note 2. The defined benefit schemes are unfunded and are non-contributory except in respect of dependants' benefits. The Commission recognises the expected cost of these elements on a systematic and rational basis over the period during which it benefits from employees' services by payment to the PCSPS and PCSPS (NI) of amounts calculated on an accruing basis. Liability for payment of future benefits is a charge on the PCSPS and PCSPS (NI). In respect of the defined contribution schemes, the Commission recognises the contributions payable for the year.

1.8 Value Added Tax

The Commission is not VAT registered, therefore all expenditure is inclusive of VAT.

1.9 Staff Costs

Under IAS19 Employee Benefits, 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.

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

The Parades Commission has reviewed the standards, interpretations and amendments to published standards that became effective during 2014-15

and which are relevant to its operations. The adoption of these standards has not had a significant impact on the Commission's financial position or results. These include consolidation standards IFRS 10, 11, 12 (effective for periods beginning on or after 1 January 2014) and FReM clarifications on Asset Impairments, disclosure of compensation payments and subsidiaries exemption.

1.11 Impending application of newly issued accounting standards not yet effective

The Parades Commission has not adopted any standards or interpretations in advance of the required implementation dates. It is not expected that any Standards or Interpretations that have been issued by the International Accounting Standards Board but have not been adopted will have a material impact on the financial statements. This includes IFRS 13 - Fair Value Measurement, which is being adopted by the FReM for periods beginning on or after 1 April 2015.

1.12 Segmental Reporting

All the activities carried out by the Parades Commission relate to a single business and are reported internally on this basis.

1.13 Notional Costs

The Crown Solicitor's Office (CSO) provides legal services to the Parades Commission. A policy change during 2013-14 meant CSO would hard-charge the Parades Commission for the cost of legal services provided. Prior to this change, there was no payment made for these services, with notional charges for the cost of services being made through the Statement of Comprehensive Net Expenditure.

2. Staff numbers and related costs

Staff costs comprise:

| | 2014-15 | | | 2013-14 |
|------------------------|----------------|----------------|--------------|----------------|
| | Total | Seconded staff | Agency Staff | Total |
| | £ | £ | £ | £ |
| Wages and Salaries | 458,590 | 457,237 | 1,353 | 438,675 |
| Social security costs | 35,112 | 35,112 | - | 41,016 |
| Other pension costs | 61,311 | 61,311 | - | 51,466 |
| Total net costs | 555,013 | 553,660 | 1,353 | 531,157 |

The Principal Civil Service Pension Scheme (PCSPS) and PCSPS (NI) are unfunded multi-employer defined benefit schemes but the Parades Commission is unable to identify its share of the underlying assets and liabilities. Full actuarial valuations of both the PCSPS and PCSPS (NI) were carried out as at 31 March 2012. Details of the PCSPS can be found in the resource accounts of the Cabinet Office: Civil Superannuation (www.civilservice-pensions.gov.uk). Details of the PCSPS (NI) are available in the PCSPS (NI) resource accounts.

For 2014-15, total employers' contributions of £61,311 (2013-14: £51,466) were payable to the PCSPS (NI) and PCSPS at rates in the range 16.7% to 24.3% of pensionable pay for PCSPS and 18% to 26% per cent of pensionable pay for PCSPS(NI), based on salary bands. The PCSPS and PCSPS (NI) schemes actuary reviews employer contributions every four years following a full scheme valuation. The contribution rates are set to meet the cost of the benefits accruing during 2014-15 to be paid when the member retires, and not the benefits paid during this period to existing pensioners. The remuneration report on pages 16 to 21 contains detailed pension information.

Employees can opt to open a partnership pension account, a stakeholder pension with an employer contribution. Employers' contributions of £61,311 (2013-14: £51,466) were paid to one or more of the panel of three appointed stakeholder pension providers. Employer contributions are age related and range from 3% to 12.5% (2013-14: 3% to 12.5%) of pensionable pay. Employers also match employee contributions up to 3% of pensionable pay. In addition, employer contributions of 0.8% per cent (2013-14: 0.8%) of the individuals pensionable earnings were payable to the PCSPS and to the PCSPS(NI) to cover the cost of the future provision of lump sum benefits on death in service and ill health retirement of these employees. No employees of the Commission have opted for a pension partnership account during 2014-15.

Contributions due to the partnership pension providers at the reporting date were £nil, as the contributions are paid over to the pension providers on a monthly basis. Contributions prepaid at that date were £nil. There were no early retirements on ill-health grounds in 2013-14 or 2014-15. There are no additional accrued pension liabilities in the 2013-14 or 2014-15 years.

The anticipated pension contributions for PCSPS(NI) and PCSPS for the period 2015-16 amount to £62,717.

The level of Parades Commission participation in the PCSPS(NI) and PCSPS scheme is minimal, compared with other participating entities, as there are only 10 secretariat staff contributing.

Average number of persons employed

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

| | 2014-15 | | | 2013-14 |
|-------------------|-----------|----------------------------------|--------------|-----------|
| | Total | Commissioners and Seconded Staff | Agency Staff | Total |
| Directly employed | 9 | 9 | - | 9 |
| Other | 5 | 5 | - | 8 |
| Total | 14 | 14 | - | 17 |

The Commissioners are expected to devote approximately two days per week to Commission business over the course of a year, with a proportionately greater commitment required during the summer months. Each commissioner is included as one whole-time equivalent person in the above numbers.

Reporting of Civil Service and other compensation schemes – exit package

There were no redundancy or departure costs paid or payable by the Parades Commission in 2013-14 or 2014-15 in respect of Civil Service or other compensation schemes.

3. Other Expenditure

| | | 2014-15 | 2013-14 |
|-----------------------------------|------|----------------|----------------|
| | Note | £ | £ |
| Other Expenditure: | | | |
| Accommodation costs | | 113,124 | 14,929 |
| Professional Advisers Fees | | 60,097 | 127,536 |
| Rent and Rates | | 53,514 | 58,950 |
| Rentals under operating leases | | 47,293 | 49,368 |
| Computer Maintenance | | 44,545 | 28,050 |
| Advertising & Publications | | 15,241 | 26,109 |
| Auditor's remuneration | | 15,000 | 15,000 |
| Telecommunications | | 10,736 | 12,836 |
| Other Expenditure | | 8,733 | 9,763 |
| Training | | 3,750 | 5,629 |
| Travel, subsistence & hospitality | | 3,658 | 17,192 |
| Mediation | | 7,577 | 7,274 |
| Courier service | | - | 1,762 |
| Subtotal Other Expenditure | | 383,268 | 374,398 |
| Non-Cash Items: | | | |
| Depreciation | 5 | 11,250 | 6,081 |
| Amortisation | 6 | 13,584 | 892 |
| Revaluations through SoCNE | 5,6 | (165) | 1,766 |
| Gain / Loss on Disposal | | 1,071 | - |
| Subtotal Non-cash Items | | 25,740 | 8,739 |
| Total | | 409,008 | 383,137 |

Accommodation costs includes £87,353 of dilapidation costs, and other associated costs, related to the relocation of office premises from Windsor House to Andras House on 1 February 2015.

4. Income

There was no income received in 2014-15 (2013-14 £nil).

5.a Property, Plant and Equipment

| | Leasehold improvements | Information Technology | Furniture & Fittings | Total |
|---|------------------------|------------------------|----------------------|-----------------|
| | £ | £ | £ | £ |
| Cost or valuation | | | | |
| At 1 April 2014 | 19,790 | 61,658 | 21,463 | 102,911 |
| Additions | - | - | - | - |
| Disposals | (19,790) | (7,034) | (2,360) | (29,184) |
| Revaluations through SoCNE | - | 165 | - | 165 |
| Revaluations | - | 383 | - | 383 |
| At 31 March 2015 | - | 55,172 | 19,103 | 74,275 |
| Depreciation | | | | |
| At 1 April 2014 | 19,790 | 18,355 | 17,722 | 55,867 |
| Charged in year | - | 10,682 | 568 | 11,250 |
| Disposals | (19,790) | (7,034) | (1,289) | (28,113) |
| Revaluations | - | 92 | - | 92 |
| At 31 March 2015 | - | 22,095 | 17,001 | 39,096 |
| Carrying amount at 31 March 2015 | - | 33,077 | 2,102 | 35,179 |
| Carrying amount at 31 March 2014 | - | 43,303 | 3,741 | 47,044 |
| | | | | |
| Asset financing: | | | | |
| Owned | - | 33,077 | 2,102 | 35,179 |
| Carrying amount at 31 March 2015 | - | 33,077 | 2,102 | 35,179 |

5.b Property, Plant and Equipment (continued)

| | Leasehold improvements | Information Technology | Furniture & Fittings | Total |
|---|------------------------|------------------------|----------------------|----------------|
| | £ | £ | £ | |
| Cost or valuation | | | | |
| At 1 April 2013 | 19,790 | 26,580 | 21,972 | 68,342 |
| Additions | - | 38,145 | - | 38,145 |
| Disposals | - | (1,449) | (317) | (1,766) |
| Revaluations | - | (1,618) | (192) | (1,810) |
| At 31 March 2014 | 19,790 | 61,658 | 21,463 | 102,911 |
| Depreciation | | | | |
| At 1 April 2013 | 19,790 | 13,400 | 17,128 | 50,318 |
| Charged in year | - | 5,487 | 594 | 6,081 |
| Revaluations | - | (532) | - | (532) |
| At 31 March 2014 | 19,790 | 18,355 | 17,722 | 55,867 |
| Carrying amount at 31 March 2014 | - | 43,303 | 3,741 | 47,044 |
| Carrying amount at 31 March 2013 | - | 13,180 | 4,844 | 18,024 |
| | | | | |
| Asset financing: | | | | |
| Owned | - | 43,303 | 3,741 | 47,044 |
| Carrying amount at 31 March 2014 | - | 43,303 | 3,741 | 47,044 |

6.a Intangible assets

| | Software licenses | Website Under Construction | Website | Total |
|---|-------------------|----------------------------|---------------|---------------|
| | £ | £ | £ | £ |
| Cost or valuation | | | | |
| At 1 April 2014 | 12,335 | 61,918 | - | 74,253 |
| Additions | | | 10,188 | 10,188 |
| Transfers | | (61,918) | 61,918 | 0 |
| Revaluations | - | | 793 | 793 |
| At 31 March 2015 | 12,335 | - | 72,899 | 85,234 |
| Amortisation | | | | |
| At 1 April 2014 | 10,554 | - | - | 10,554 |
| Charged in year | 901 | - | 12,683 | 13,584 |
| Revaluations | - | - | 28 | 28 |
| At 31 March 2015 | 11,455 | - | 12,711 | 24,166 |
| Carrying amount at 31 March 2015 | 11,068 | - | 50,000 | 61,068 |
| Carrying amount at 31 March 2014 | 1,781 | - | 61,918 | 63,699 |
| | | | | |
| Asset financing: | | | | |
| Owned | 880 | - | 60,188 | 61,068 |
| Carrying amount at 31 March 2015 | 880 | - | 60,188 | 61,068 |

6.b Intangible assets (continued)

| | Software licenses | Website Under Construction | Total |
|---|-------------------|----------------------------|---------------|
| | £ | £ | £ |
| Cost or valuation | | | |
| At 1 April 2013 | 12,760 | - | 12,760 |
| Additions | - | 61,918 | 61,918 |
| Revaluations | (425) | - | (425) |
| At 31 March 2014 | 12,335 | 61,918 | 74,253 |
| Amortisation | | | |
| At 1 April 2013 | 9,832 | - | 9,832 |
| Charged in year | 892 | - | 892 |
| Revaluations | (170) | - | (170) |
| At 31 March 2014 | 10,554 | - | 10,554 |
| Carrying amount at 31 March 2014 | 1,781 | 61,918 | 63,699 |
| Carrying amount at 31 March 2013 | 2,928 | - | 2,928 |
| | | | |
| Asset financing: | | | |
| Owned | 1,781 | 61,918 | 63,699 |
| Carrying amount at 31 March 2014 | 1,781 | 61,918 | 63,699 |

7. Financial instruments

As the cash requirements of the Commission are met through funding provided by the Northern Ireland Office, 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 non-departmental public bodies expected purchase and usage requirements and the non-departmental public body is therefore exposed to little credit, liquidity or market risk.

The Commission has no powers to borrow or invest surplus funds and has limited year end flexibility. Financial assets and liabilities are generated by day-to-day operational activities and are not held to change the risks facing the Commission in undertaking activities

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Parades commission is not exposed to significant credit risk. The maximum exposure to credit risk is represented by the carrying amounts of the trade receivables carried in the Statement of Financial Position.

Liquidity risk

The Parades Commission resource requirements are financed by the parent department and are not, therefore, exposed to significant liquidity risks.

Currency risk

Currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Parades Commission is not exposed to any currency risk.

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. All of the Department’s financial assets and liabilities carry nil or fixed rates of interest. The Parades Commission is therefore not exposed to any interest rate risk.

8. Trade receivables and other current assets

| | 2014-15 | 2013-14 |
|---|---------------|---------------|
| | £ | £ |
| Amounts falling due within one year: | | |
| Prepayments and accrued income | 17,019 | 24,937 |
| | 17,019 | 24,937 |

The Parades Commission does not have any balances receivable from other government bodies (2013-14: £nil).

9. Cash and cash equivalents

The Parades Commission does not operate its own bank account nor does it hold petty cash. 1 April 2013, the Parades Commission held a £100 petty cash balance. During 2013-14, the entire balance was transferred to NIO. The NIO make payments on behalf of the Parades Commission.

10. Trade payables and other current liabilities

| | 2014-15 | 2013-14 |
|------------------------------------|----------------|----------------|
| | £ | £ |
| Trade payables | 13,926 | 48,713 |
| Accruals and deferred income | 197,573 | 104,155 |
| Other taxation and social security | - | 2,000 |
| | 211,499 | 154,868 |

Trade payables and other current liabilities includes £62,126 payable to other government bodies (2013-14: £55,253).

11. Commitments under leases

11.1 Operating leases

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

| | 2014-15 | 2013-14 |
|---|---------------|---------------|
| Buildings | £ | £ |
| Not later than one year | 21,356 | 37,028 |
| Later than one year and not later than five years | 37,373 | - |
| Later than five years | - | - |
| | 58,729 | 37,028 |

The Commission moved offices from Windsor House to Andras House on 1 February 2015. The property lease on Andras House terminates on 31 January 2018.

11.2 Finance leases

The Parades Commission has no obligations under finance leases.

12. Capital Commitments

The Parades Commission does not have any capital commitments as at 31 March 2015.

13. Contingent Liabilities disclosed under IAS 37

The Parades Commission has no contingent liabilities at 31 March 2015 (2013-14 - £nil).

14. Related-party transactions

The Parades Commission is an independent statutory body, established by the Public Processions (Northern Ireland) Act 1998, and funded by the Secretary of State through the Northern Ireland Office.

The Northern Ireland Office is regarded as a related party. During the year, the Parades Commission has had various material transactions with the Northern Ireland Office including the Crown Solicitor's Office.

In addition, the Parades Commission has had a small number of material transactions with the Department of Finance and Personal.

None of the Parades Commission members, key managerial staff or other related parties has undertaken any material transactions with the Parades Commission during this year.

15. Events after the Reporting Date

There were no events after the Reporting date which required disclosure or adjustment of the Accounts.

The Annual Report and Accounts were authorised for issue by the Accounting Officer on the same date as the Comptroller and Auditor General signed the audit certificate.

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