

***THE LOCAL GOVERNMENT STAFF COMMISSION FOR NORTHERN IRELAND**

**FINANCIAL STATEMENTS OF THE
LOCAL GOVERNMENT STAFF COMMISSION FOR NORTHERN IRELAND**

YEAR ENDED 31 MARCH 2023

THE LOCAL GOVERNMENT STAFF COMMISSION FOR NORTHERN IRELAND

Statement of Commission's and Accounting Officer's Responsibilities

The Commission's Responsibility

Under Regulation 10 of the Local Government (Accounts and Audit) Regulations (Northern Ireland) 2015, the Commission is required to approve the accounts.

The Accounting Officer's Responsibilities

Under Section 40 and Schedule 3 of the Local Government Act (Northern Ireland) 1972, as amended by the Local Government (Northern Ireland) Order 2005 and the Finance Act 2011, the Department for Communities has directed the Local Government Staff Commission to prepare for each financial year a statement of accounts in the form and on the basis set out in the Accounts Direction. The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of the Commission and of its income and expenditure, recognised gains and losses, and cash flows for the financial year.

As the Accounting Officer, I have taken all the steps that I ought to have taken to make myself aware of any relevant audit information and to establish that the Northern Ireland Audit Office auditors are aware of that information. So far as I am aware, there is no relevant audit information of which the auditors are unaware.

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

- observe the Accounts Direction issued by the Department for Communities, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis
- make judgements and estimates on a reasonable basis
- state whether applicable accounting standards as set out in the Government Financial Reporting Manual have been followed and disclose and explain any material departures in the financial statements, and
- prepare the financial statements on a going concern basis.

The Accounting Officer of the Department for Communities has designated Mrs Diana Stewart as Accounting Officer of the Local Government Staff Commission. The responsibilities of the Accounting Officer, including responsibility for:

- the propriety and regularity of the public finances for which the Accounting Officer is answerable,
- keeping proper records, and
- safeguarding the Staff Commission's assets

are set out in the Accounting Officer's Memorandum published by the Department of Finance.

LOCAL GOVERNMENT STAFF COMMISSION

Certificate of the Accounting Officer and Commission Approval of the Statement of Accounts

Certificate of the Accounting Officer

I certify that:-

- (a) the Statement of Accounts for the year ended 31 March 2023 has been prepared in the form directed by the Department for Communities and under the accounting policies set out in Note 1.
- (b) in my opinion the Statement of Accounts give a true and fair view of the income and expenditure and cash flows for the financial year and the financial position as at the end of the financial year.

Signed: 


DIANA STEWART

Director of Corporate Services and Accounting Officer

Date: 28 September 2023

Commission Approval of Statement of Accounts

These accounts were approved by the Commission on 28 September 2023

Signed: 

BUMPER GRAHAM

Chairperson, Local Government Staff Commission

LOCAL GOVERNMENT STAFF COMMISSION

Governance Statement for the Financial Year Ended 31 March 2023

Scope of Responsibility

As Accounting Officer, I have responsibility for ensuring that the Commission's business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for, whilst safeguarding the public funds and the Commission's assets, for which I am personally responsible, in accordance with the responsibilities assigned to me in Managing Public Money.

The Commission has Internal and External Auditors as well as regular and robust reporting arrangements to both the Commission itself and the Audit Committee. There are sound and thorough accountability arrangements surrounding my role of Accounting Officer.

The Commission has agreed with its sponsoring Department, the Department for Communities, a Management Plan which sets out objectives and actions up to dissolution of the Commission. Results against targets and performance measures are considered monthly by officers and reported to the Commission on a bi-annual basis.

The Dossier of Controls, Managing Public Money NI and relevant Dear Accounting Officer Letters set out the controls to be exercised over the different areas of activity, either by the Department directly or by the Commission.

The Accounting Officer must ensure that the Commission adheres to the conditions attached to the public funds provided to it.

The Governance Statement Review

The Commission's Audit Committee met on 12 April, 21 June, 20 September 2022, 24 January and 21 March 2023. Through Audit Reports from the Local Government Auditor and the Commission's Internal Auditor, the Committee were able to satisfy themselves that the Commission was working within the Commission's Governance Framework.

The Purpose of the Governance Framework

The Governance Framework comprises the systems, processes, culture, and values by which the Commission is directed and controlled and its activities through which it accounts to, engages with and leads its stakeholders. It enables the Commission to monitor the achievement of its strategic objectives and to consider whether those objectives have led to the delivery of appropriate, cost-effective services.

The system of internal control in the Commission is a significant part of the governance framework and is designed to manage and reduce risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of the Commission's policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively, and economically.

The Governance Framework has been in place at the Commission for the year ended 31 March 2023 and up to the date of approval of the Annual Report and Accounts and accords with Department of Finance guidance.

The Governance Framework

The key elements of the systems and processes that comprise the Commission's governance arrangements include:

Identifying and Communicating the Commission's Vision of its Purpose and Intended Outcomes

The Management Plan has been developed to guide the Commission's work for the year 2022-2023. It is based on key stakeholder requirements and the Commission's statutory functions arising from the reduction in the level of staffing and the uncertainty surrounding the dissolution of the Commission.

The objectives, targets and performance measures set out in the Management Plan are approved by the Department for Communities. The Departmental Accounting Officer designates the Director of Corporate Services of the Local Government Staff Commission as the Staff Commission's Accounting Officer.

An engagement exercise with Chief Executives of the 11 Councils and NIHE was undertaken by the Director of Corporate Services from December 2022 to January 2023 to obtain feedback on the Commission's work (Performance Measures) and future requirements.

The Commission's Board including Structure and Performance

The Commission's Board includes a Chairperson, Vice-Chairperson and eight Members who have been appointed by the Department for Communities. The Chairperson was appointed on 5th October 2020. The Members meet at least four times each year as detailed in the Commission's Standing Orders May 2021 by which the Members are bound.

Members of the Commission have a corporate responsibility for ensuring that the Commission complies with any statutory or administrative requirements for the use of public funds as detailed within the 'Code of Best Practice' June 2014 - *"Commission Members must comply at all times with this Code of Conduct (or any agreed modification of it) and with rules relating to the use of public funds and must act in good faith and in the best interests of the Commission. They should not use information gained in the course of their public service for personal gain nor seek to use the opportunity of public service to promote their private interests."*

The Commission has operated an Audit Committee since February 2004. The terms of reference were revised in March 2011 to ensure they were consistent with best practice; however, given the annual expenditure and level of operation of the Commission it was agreed that the Audit Committee would have a minimum of two meetings per annum.

The Audit Committee provides an independent assurance on the adequacy of the risk management framework and associated control environment within the Commission. It provides an independent scrutiny of the Commission's financial and non-financial performance to the extent that it exposes it to risk and weakens the control environment. During the year, the Audit Committee reviewed the effectiveness of internal audit, audit plans and external audit annual audit letter and findings.

The Commission has fully complied with the Corporate Governance Code with no unexplained departures during the year.

Commission Member Attendance from 01 April 2022 – 31 March 2023

	Commission Meetings Attended – (9 held)	Audit Committee Meetings Attended – (5 held)
Bumper Graham	8	4
Monica Burns	8	N/A
Paul Corrigan	6	N/A
William Francey	8	5
Lindsay Boal	5	N/A
Robert Hutchinson	8	5
Bernie Kelly	7	N/A
Charlie Mack	7	N/A
Roisin McDonough	5	N/A
Hilary Singleton	9	5

Measuring the Quality of Services for Users, for ensuring they are delivered in accordance with the Commission's objectives and for ensuring that they represent the best use of resources

The Commission has three key performance areas: Carrying Out Essential Statutory Functions, Oversight of Statutory Functions Transferred to Councils on Dissolution and Corporate Governance.

Progress on meeting the actions detailed within the Key Performance Areas (KPAs) is addressed monthly by the Management Team and reported on an ongoing basis to Commission Members by the officers with responsibility for development and implementation of each KPA.

The Annual Report is produced and includes information on the performance of the Commission in relation to the Management Plan.

The Commission is provided with detailed papers for every meeting, which include all relevant background information necessary to fully inform Commission Members on each agenda item. Some examples of the types of information provided to the Committee on a routine basis include:

- Financial Accounts
- Updates from Working Groups
- Audit Committee Minutes
- Management Plan progress reports

All Commission Members are provided with key corporate documents and have a working knowledge of these. Commission Members have secure electronic access to meeting papers and confirmed their satisfaction with this approach.

Risk Assessment

The Commission reviewed its Risk Management Strategy and Policy in October 2020 which sets out the organisation's attitude to risk, defines the structure for the management and ownership of risk and for the management of situations should control failure lead to the realisation of risk.

The Commission's Risk Management Strategy and Policy specifies the way in which risk issues are to be considered at each management level of business planning; details how new activities will be assessed for risk; and defines the way in which the risk register, and risk evaluation criteria will be regularly reviewed.

The Risk and Control Framework

The Commission's strategic and business planning system provides the framework for the consideration of risks and risk appetite. Annual reviews of objectives and assessment of risks are undertaken as part of that process. Risk is evaluated taking account of the likelihood of realisation of the risk and the impact of realisation of the risk. Risk priorities during 2022/2023 included the dissolution of the Commission following the RPA decision, resources to fulfil objectives and dissolution activities, and ensuring good governance arrangements are in place.

Internal Controls

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of the Commission's policies, aims and objectives, to evaluate the likelihood of those risks being realised 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 Commission for the year ended 31 March 2023 and up to the date of approval of the Annual Report and Accounts and accords with Treasury guidance.

Internal Audit

The Commission has an outsourced Internal Audit function with Cavanagh Kelly. The Internal Audit Plan has been developed, in line with the Government Internal Audit Standards, to ensure that Internal Audit can efficiently and effectively provide the Commission with an objective evaluation of, and opinion on, the effectiveness of risk management, control and governance. Overall Internal Audit provided a satisfactory level of assurance for the system of internal controls within the Commission for 2022/23.

External Audit


*The Northern Ireland Audit Office has provided audit findings through the provision of the annual external audit, the Annual Audit Letter and the Independent Auditor's Report (pending).

Significant Governance Issues

Following consultation, the decision of the Minister on 23 October 2013 to wind up the Commission in March 2017 was subsequently endorsed by the Executive Committee in June 2014 representing a significant governance risk. Consequently, a project plan was put in place by the Department for Communities to ensure a timely and orderly wind up. Related risks were identified, and a sub-group established to oversee the wind down in line with the risk register. In January 2017, the NI Assembly was dissolved and the LGSC Dissolution legislation was not passed therefore the Commission was extended beyond 31 March 2018 for an as yet undefined period of time. In addition, the Department for Communities reconstituted Commission membership with effect from 01 April 2017 to dissolution and a Management Plan has been put in place for ongoing operations. In November 2021, the Minister for Communities, invited views from key stakeholders on "*whether there are any reasons that the Executive decision in 2014 to dissolve the Commission should be reconsidered*". This consultation was completed, and we await the Minister's decision. In November 2022 the Permanent Secretary, Department for Communities, confirmed an extension to the provisional date for dissolution of the Commission to 31 March 2025.

Signed: 

DIANA STEWART
Director of Corporate Services & Accounting Officer



BUMPER GRAHAM
Chairperson, Local Government Staff
Commission

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE LOCAL GOVERNMENT STAFF COMMISSION

Opinion on financial statements

I have audited the financial statements of The Local Government Staff Commission for the year ended 31 March 2023 under the Local Government (Northern Ireland) Order 2005. The financial statements comprise the Statement of Comprehensive Net Expenditure, Statement of Financial Position, Statement of Cash Flows, Statement of Changes in Taxpayers' Equity and the related notes including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and the Code of Practice on Local Authority Accounting in the United Kingdom supported by UK adopted international accounting standards.

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

In my opinion the financial statements:

- give a true and fair view, in accordance with relevant legal and statutory requirements and the Code of Practice on Local Authority Accounting in the United Kingdom 2022-23, of the financial position of The Local Government Staff Commission as at 31 March 2023 and its income and expenditure for the year then ended; and
- have been properly prepared in accordance with the Local Government (Accounts and Audit) Regulations (Northern Ireland) 2015 and the Department for Communities' directions issued thereunder.

Basis for opinion

I conducted my audit in accordance with International Standards on Auditing (ISAs) (UK). My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of this certificate. My staff and I are independent of The Local Government Staff Commission in accordance with the ethical requirements of the Financial Reporting Council's Ethical Standard, and have fulfilled our other ethical responsibilities in accordance with these requirements. I believe that the audit evidence obtained is sufficient and appropriate to provide a basis for my opinion.

Conclusions relating to going concern

In auditing the financial statements, I have concluded that The Local Government Staff Commission's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Local Government Staff Commission's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other Information

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

My responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

I have nothing to report in this regard.

Opinion on other matters

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

- the part of the Remuneration Report to be audited has been properly prepared in accordance with the Department for Communities' directions made under the Local Government (Accounts and Audit) Regulations (Northern Ireland) 2015; and
- the information given in the Annual Report and Accounts for the financial year ended 31 March 2023 is consistent with the financial statements.

Matters on which I report by exception

In light of the knowledge and understanding of The Local Government Staff Commission and its environment obtained in the course of the audit, I have not identified material misstatements in the Annual Report and Accounts.

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

- in my opinion:
 - the Annual Governance Statement:
 - does not reflect compliance with the Code of Practice on Local Authority Accounting in the United Kingdom 2022-23;
 - does not comply with proper practices specified by the Department for Communities;
 - is misleading or inconsistent with other information I am aware of from my audit; or
 - adequate accounting records have not been kept; or
 - the Annual Report and Accounts and the part of the Remuneration Report to be audited are not in agreement with the accounting records; or
 - I have not received all of the information and explanations I require for my audit.
- I issue a report in the public interest under Article 9 of the Local Government (Northern Ireland) Order 2005; or
- I designate under Article 12 of the Local Government (Northern Ireland) Order 2005 any recommendation made to the Commission; or
- I exercise the other special powers of the auditor under Article 19 to 21 of the Local Government (Northern Ireland) Order 2005.

Responsibilities of the Accounting Officer for the financial statements

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

- the preparation of the financial statements in accordance with the applicable financial reporting framework and for being satisfied that they give a true and fair view;
- such internal controls as the Accounting Officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error;
- assessing the Local Government Staff Commissions' ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting.

Auditor's responsibilities for the audit of the financial statements

My responsibility is to audit the financial statements in accordance with the Local Government (Northern Ireland) Order 2005 and the Local Government Code of Audit Practice.

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

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

My procedures included:

- obtaining an understanding of the legal and regulatory framework applicable to the Commission through discussion with management and application of extensive public sector accountability knowledge. The key laws and regulations I considered included the Local Government (Accounts and Audit) Regulations (Northern Ireland) 2015 and the Code of Practice on Local Authority Accounting in the United Kingdom 2022-23;
- making enquires of management and those charged with governance on The Local Government Staff Commission's compliance with laws and regulations;
- making enquiries of internal audit, management and those charged with governance as to susceptibility to irregularity and fraud, their assessment of the risk of material misstatement due to fraud and irregularity, and their knowledge of actual, suspected and alleged fraud and irregularity;
- completing risk assessment procedures to assess the susceptibility of Commission's financial statements to material misstatement, including how fraud might occur. This included, but was not limited to, an engagement director led engagement team discussion on fraud to identify particular areas, transaction streams and business practices that may be susceptible to material misstatement due to fraud;

- engagement director oversight to ensure the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with the applicable legal and regulatory framework throughout the audit;
- designing audit procedures to address specific laws and regulations which the engagement team considered to have a direct material effect on the financial statements in terms of misstatement and irregularity, including fraud. These audit procedures included, but were not limited to, reading board and committee minutes, and agreeing financial statement disclosures to underlying supporting documentation and approvals as appropriate;
- addressing the risk of fraud as a result of management override of controls by:
 - performing analytical procedures to identify unusual or unexpected relationships or movements;
 - testing journal entries to identify potential anomalies, and inappropriate or unauthorised adjustments;
 - assessing whether judgements and other assumptions made in determining accounting estimates were indicative of potential bias; and
 - investigating significant or unusual transactions made outside of the normal course of business.

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

This report is made solely to the Members of The Local Government Staff Commission in accordance with the Local Government (Northern Ireland) Order 2005 and for no other purpose, as specified in the Statement of Responsibilities of the Local Government Auditor and Local Government Bodies.

Certificate

I certify that I have completed the audit of accounts of The Local Government Staff Commission in accordance with the requirements of the Local Government (Northern Ireland) Order 2005 and the Local Government Code of Audit Practice.



Colette Kane

*Local Government Auditor
Northern Ireland Audit Office
106 University Street
Belfast
BT7 1EU
29th September 2023*

LOCAL GOVERNMENT STAFF COMMISSION
STATEMENT OF COMPREHENSIVE NET EXPENDITURE
for the year ended 31 March 2023

	Notes	2022/23 £000s	2021/22 £000s
Income from district Councils and N.I. Housing Executive		476	419
Statutory income to defray provision	3	3	(284)
Other operating income	4	25	3
Net Return on Assets	13	1	(12)
Total operating income		505	126
Staff costs	5	233	48
Purchase of goods and services	6	253	237
Depreciation and impairment charges	7	3	4
Provision expense	12	(28)	257
Other operating expenditure			
Total operating expenditure		461	546
Net operating expenditure/ (income)		(44)	420
Finance income		-	-
Finance expenses		-	-
Net expenditure/ (income) for the year ended 31 March 2023		(44)	420
Other comprehensive net expenditure			
Items which will not be reclassified to the operating costs:			
- Net (gain)/loss on revaluation of property, plant and equipment	7		-
- Net (gain)/loss on revaluation of intangible assets		-	-
- Actuarial (gain)/loss on pension scheme liabilities	13(h)	13	(409)
Items which may be reclassified to net operating costs:			
- Net (gain)/loss on revaluation of investments		-	-
Comprehensive net expenditure/ (income) for the year		(31)	11

The amounts set out above arise wholly from continuing operations.
The notes on pages 41 to 58 form part of these accounts.

LOCAL GOVERNMENT STAFF COMMISSION
STATEMENT OF FINANCIAL POSITION
as at 31 March 2023

	Notes	31 Mar 23 £000s	31 Mar 22 £000s Restated
Non-current assets:			
Property, plant & equipment	7	9	17
Intangible assets		-	-
Trade & other receivables	9	-	-
Financial assets		-	-
Total non-current assets		9	17
Current assets			
Assets classified as held for sale	8	-	-
Inventories		-	-
Trade & other receivables	9	1,775	1,752
Other current assets		-	-
Financial assets		-	-
Cash & cash equivalents	10	767	903
Total current assets		2,542	2,655
Total Assets		2,551	2,672
Current liabilities			
Trade and other payables	11	(85)	(235)
Provisions	12	(1,745)	(1,773)
Other liabilities		-	-
Total current liabilities		(1,830)	(2,008)
Total assets less current liabilities		721	664
Non-current liabilities			
Provisions	12	-	-
Other payables	11	-	-
Financial liabilities	13	-	26
Total non-current liabilities		-	26
Total assets less total liabilities		721	690
Taxpayers' equity and other reserves			
General Fund		721	690
Revaluation Reserve		-	-
Total equity		721	690

The financial statements were approved by the Commission on 28 September 2023 and signed on its behalf by:

Handwritten signature of Diana Stewart in black ink, written over a horizontal line.

DIANA STEWART
Director of Corporate Services
and Accounting Officer

Handwritten signature of Bumper Graham in black ink, written over a horizontal line.

BUMPER GRAHAM
Chairperson, Local Government Staff
Commission

The notes on pages 41 to 58 form part of these accounts.

LOCAL GOVERNMENT STAFF COMMISSION
STATEMENT OF CASH FLOWS
for the year ended 31 March 2023

	Notes	2022/23 £000s	2021/22 £000s
Cash flows from operating activities			
Net operating cost		44	(420)
Adjustments for non-cash transactions	7	3	4
Interest Payables			
(Increase)/Decrease in trade and other receivables	9	(22)	283
Increase/(Decrease) in trade and other payables	11	(146)	(161)
Increase/(Decrease) in provisions	12	(28)	257
Return on Net Assets in Pension Fund	13	(1)	12
Current/Past Service Cost/Settlement Cost	13	52	24
Net cash outflow from operating activities		(98)	(1)
Cash flows from investing activities			
Purchase of property, plant and equipment	7	-	(8)
Employer's Superannuation	13	(38)	(168)
Interest			
Proceeds of disposal of property, plant and equipment			
Proceeds of disposal of intangibles			
Net cash outflows from investing activities		(38)	(176)
Cash flows from financing activities			
Grants from sponsoring department		-	-
Net financing from the National Insurance Fund		-	-
Net financing from the Contingencies Fund & National Loans Fund		-	-
Capital elements of payments in respect of finance leases and on balance sheet (SoFP) PFI Contracts		-	-
Net financing		-	-
Net increase/(decrease) in cash and cash equivalents in the period		(136)	(177)
Cash and cash equivalents at the beginning of the period		903	1080
Cash and cash equivalents at the end of the period	10	767	903

The notes on pages 41 to 58 form part of these accounts.

LOCAL GOVERNMENT STAFF COMMISSION
STATEMENT OF CHANGES IN TAXPAYERS' EQUITY
for the year ended 31 March 2023

	General Fund	Revaluation Reserve	Total Reserves
	£000s	£000s	£000s
Balance at 31 March 2021	701	-	701
Retained surplus/(deficit)	(420)	-	(420)
Revaluation of non-current assets (see Note 7)	-	-	-
Actuarial gain/(loss) on pension (see Note 13h)	409	-	409
Transfer between reserves	-	-	-
Balance at 31 March 2022	690	-	690
Retained surplus/(deficit)	44	-	43
Revaluation of non-current assets (see Note 7)	-	-	-
Actuarial gain/(loss) on pension (see Note 13h)	(13)	-	(13)
Transfer between reserves	-	-	-
Balance at 31 March 2023	721	-	720

The notes on pages 41 to 58 form part of these accounts.

LOCAL GOVERNMENT STAFF COMMISSION

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023

Note 1: Statement of Accounting Policies

ACCOUNTING CONVENTION

The accounts have been prepared in accordance with the historical cost convention, modified by the revaluation of certain fixed assets, and with paragraph 11 of Schedule 3 of the Local Government Act (Northern Ireland) 1972, as amended by the Local Government (Northern Ireland) Order 2005 and the Finance Act 2011.

Without limiting the information given, the financial statements comply with the accounting and disclosure requirements of the Companies (Northern Ireland) Order 1986 and the requirements of the edition of the Government Financial Reporting Manual (FrM) which is in force for the financial year for which the accounts are being prepared, insofar as those requirements are appropriate. The accounting policies contained in the FrM apply International Financial Reporting Standards as adapted or interpreted for the public sector context.

DISSOLUTION OF THE COMMISSION

Following the decision of the Minister to wind the Commission up in March 2017 a project plan was put in place by the Department for Communities to ensure a timely and mannerly wind up. The Department for Communities has agreed to acquire the assets of the Commission and assume responsibility for all liabilities on dissolution. Draft legislation was prepared in this respect. It was not possible to have the necessary Dissolution Order in place to wind up the Commission on 31 March 2017 as planned. As a result, the Department for Communities (DfC) decided to reconstitute the Commission membership with effect from 1 April 2017 (up to the final dissolution date). On this basis, the Commission has developed a Management Plan to enable it to continue to implement statutory duties until it is dissolved.

The financial statements have therefore been prepared on a going concern basis.

INCOME

Contributions from district Councils and the Northern Ireland Housing Executive are credited to income in the year to which they relate.

Income from activities represents the amount receivable for goods and services supplied to external customers during the year.

PAYMENTS TO SUPPLIERS

The Commission is committed to the prompt payment of suppliers for goods and services within 10 working days on receipt of invoice, in accordance with the Better Payment Practice Code. Unless otherwise stated in the contract, payment is due within 30 days from the receipt of goods or services by The Commission, or on presentation of a valid invoice or similar demand to The Commission, whichever is later.

Note 1: Statement of Accounting Policies (continued)

PROPERTY, PLANT AND EQUIPMENT

The Commission's property, plant and equipment comprise, computer equipment and fixtures and fittings. The threshold for capitalisation of an individual or grouped item of property, plant and equipment is £500. This will enable the Commission to capitalise replacement computer equipment which can be purchased at a lower cost.

Depreciation is provided on a straight-line basis in order to write off the valuation, less any residual value, over the estimated useful lives. Assets held for sale are not depreciated. The estimated useful lives, which are reviewed regularly, are:

Computer Equipment	3-5 years
Fixtures and Fittings	5-10 years

NON-CURRENT ASSETS HELD FOR SALE

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. Non-current assets held for sale are measured at the lower of their previous carrying amount and fair value less costs to sell. Fair value is open market value including alternative uses.

The profit or loss arising on disposal of an asset is the difference between the sale proceeds and the carrying amount and is recognised in the Statement of Comprehensive Net Expenditure. On disposal, the balance for the asset in the revaluation reserve is transferred to the General Fund.

Plant and equipment that is to be scrapped or demolished does not qualify for recognition as held for sale. Instead, it is retained as an operational asset and its economic life is adjusted. The asset is de-recognised when it is scrapped or demolished.

INVENTORY

Inventories consist only of consumable items and are, therefore, expensed in the year of purchase.

OPERATING LEASES

The total cost of the operating lease is expensed in equal instalments over the life of the lease. The Commission did not hold any operating leases at 31 March 2023.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise of cash in hand and bank deposits.

PENSION

The Commission participates in the Northern Ireland Local Government Superannuation Committee Scheme (NILGOSC) for most of its employees. This is a fully funded defined benefit scheme and is a statutory scheme that provides benefits on a "final salary" basis for service to 31 March 2015 and on a "career average revalued earnings (CARE)" basis for service from 1 April 2015.

Note 1: Statement of Accounting Policies (continued)

Prior to 1 April 2009 benefits accrued at the rate of $1/80^{\text{th}}$ of pensionable salary for each year of service. In addition, a lump sum equivalent to $3/80^{\text{ths}}$ of pensionable salary for each year of service is payable on retirement. From 1 April 2009 to 31 March 2015 benefits accrued at the rate of $1/60^{\text{th}}$ of pensionable salary for each year of service. From 1 April 2015 benefits accrue at the rate of $1/49^{\text{th}}$ of total salary for each year of service. The scheme's professionally qualified actuaries recommend the rate of contributions to be paid in a range from 5.5% to 10.5% for staff (depending on salary) and 24.8% plus an annual charge of £26,000 by the Commission. The employer contribution for 2022/23 has been set at 37.6% and no annual charge.

The total amounts paid into the scheme this financial year were: employees £7,322 and employer £38,733

The Commission, in accordance with IAS 19, accounted for employer pension contributions as a defined benefit scheme. Under IAS 19 the Commission is required to account for their share of assets and liabilities in the scheme. Added years' discretionary benefits awarded to former employees who retire early are also accounted for as a defined benefit scheme, as in accordance with IAS 19.

An actuarial valuation was carried out on 31 March 2023 in accordance with IAS 19 and Financial Reporting Manual (FrM) and the results of the valuation are detailed in Note 13.

The Charge (Credit) to the Statement of Comprehensive Net Expenditure consists of the Current Service Cost and Past Service Cost, if applicable (a) (included within staff costs) and interest credit on net return (b) (shown on the Statement of Comprehensive Net Expenditure). Actuarial gains and losses (e) are taken to reserves and shown under Other Comprehensive Net Expenditure.

The liabilities under the Scheme have been valued using the standard actuarial technique known as the Projected Unit Method.

The principal financial assumptions for valuing the liabilities were:

	31 March 2023 % per annum	31 March 2022 % per annum
Discount Rate	4.7	2.8
Pension Increases	2.7	3.1
Pension Accounts Revaluation Rate	2.7	3.1
Salary Increases	4.2	4.6

The total net pension asset as at 31 March 2023 is £2,373 representing the sum of the net assets as at that date.

(a) i) Current Service Cost: is the increase in the present value of the scheme liabilities expected to arise from employee service in the current period.

(a) ii) Past Service Cost: (where applicable) is the change in the present value of the defined benefit obligation for employee service in prior periods, resulting from a plan amendment (the introduction or withdrawal of, or changes to, a defined benefit plan) or a curtailment (a significant reduction in the number of employees covered by the plan).

(b) Interest Credit on Net Return: the difference between expected return on employer assets and interest on pension scheme liabilities.

Note 1: Statement of Accounting Policies (continued)

(c) Expected Rate of Return on Assets: the average rate of return expected over the remaining life of the related obligation on the actual assets held by the Scheme.

(d) Interest on Pension Scheme Liabilities: the expected increase during the period in the present value of the scheme liabilities because the benefits are one year closer to settlement.

(e) Actuarial Gains and Losses: changes in actuarial deficits or surpluses that arise because events have not coincided with the actuarial assumptions made for the last valuation (experience gains and losses) or changes in actuarial assumptions.

PROVISIONS

Provisions are made where an event has taken place that gives the Commission a legal or constructive obligation that probably requires settlement by a transfer of economic benefits and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of Comprehensive Net Expenditure in the year that the Commission becomes aware of the obligation and measured at the best estimate at the balance sheet date of the expenditure required to settle the obligation.

When payments are eventually made, they are charged to the provision carried in the Balance Sheet. Estimated settlements are reviewed at the end of each financial year. Where it becomes less than probable that a transfer of economic benefits will now be required (or a lower settlement than anticipated is made), the provision is reversed and credited back to the Statement of Comprehensive Net Expenditure.

EMPLOYEE BENEFITS

Short-term benefits

Short-term employee benefits are those due to be settled within twelve months of the year-end. They include such benefits as wages and salaries, paid annual leave and paid sick leave for current employees and are recognised as an expense in the year in which employees render service to the Commission. An accrual is made for the cost of holiday entitlements earned by employees but not taken before year-end and which employees can carry forward into the next financial year.

Termination benefits

Termination benefits are amounts payable because of a decision by the Commission to terminate an officer's employment before the normal retirement date and are charged on an accruals basis to the Statement of Comprehensive Net Expenditure at the earlier of: a) when the offer cannot be withdrawn or b) when the related restructuring costs are incurred.

CONTINGENT LIABILITIES

A contingent liability arises where an event has taken place that gives the Commission a possible obligation whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the Commission. Contingent liabilities also arise in circumstances

Note 1: Statement of Accounting Policies (continued)

where a provision would otherwise be made but either it is not probable that an outflow of resources will be required, or the amount of the obligation cannot be measured reliably. Contingent liabilities are not recognised in the Statement of Financial Position but disclosed in a note to the accounts.

TAXATION

The Commission is not registered for VAT purposes. Consequently, all amounts in these accounts are inclusive of VAT.

Note 2: Segmental Reporting

As part of the internal reporting arrangement the Commission receives reports on financial operations on a single segment basis, i.e., Commission's financial performance is reviewed as a whole in line with the annual business plan. The annual financial scheme and any subsequent schemes are presented at Commission meetings for approval.

Note 3: Statutory Income to defray provision

	2022/23 £000s	2021/22 £000s
Statutory income to defray provision	3	(284)
TOTAL	3	(284)

The amount due from the Department for Communities to defray the dissolution costs, which include exit costs from the NILGOSC pension scheme and redundancy costs, has increased by £3k in the financial year 2022/23 (see Note 1 - Dissolution of the Commission).

Note 4: Other Operating Income

	2022/23 £000s	2021/22 £000s
Income from the Local Government Training Group	-	-
Income from the Local Government Staff Commission Conference	-	-
Income from the recharged services to Local Government	25	3
TOTAL	25	3

Note 5: Staff Costs

	Employed staff	Seconded staff	2022/23 Total No's	2021/22 Total No's
(a) The average weekly number of employees (full time equivalent) was:	2.4	0.5	2.9	3.6
	Employed staff	Seconded staff	2022/23 Total £000s	2021/22 Total £000's
(b) The costs incurred in respect of these employees were:				
Salaries and Wages	115	38	153	132
Social Security Costs	11	5	16	26
Pension Costs – NILGOSC	39	7	46	34
	165	50	215	192
Current/Past Service Costs and Settlement Costs	52	-	52	24
	4		4	
Superannuation - re: charge to provision	(38)	-	(38)	(18)
TOTAL	183	50	233	198

Under IAS 19 Employee Benefits, all staff costs must be recorded as an expense once the employee earns the benefits, irrespective of whether they have been paid. This includes the cost of any untaken leave at the year end. The cost of untaken leave is determined using the Commission's annual leave records.

No new exit packages were agreed in year but there were increases in redundancy costs; these are detailed on Note 12.

One member of staff was subject to exit in 2022/23 as a result of a review of staffing requirements. (Note 12).

Note 6: Other Operating Costs

	2022/23 £000s	2021/22 £000's
These comprise:		
Commission Chairperson and Members' Allowances	25	27
Research, Marketing and Development	6	6
Conferences, Courses and Training	2	5
Rent	55	55
Rates	19	20
Loss on disposal of property, plant and equipment	-	-
Other General Administration Expenses	37	38
Professional Fees	49	21
IT Services	27	25
Agency & Consultancy	20	29
External Auditor's Remuneration	9	8
Travel and Subsistence – Staff	1	1
Travel and Subsistence – Commission Members	3	2
TOTAL	253	237

Note 7: Plant and Equipment

Current Year:	Land and Buildings £000s	Computer Equipment £000s	Fixtures and Fittings £000s	Total £000s
COST OR VALUATION				
At 1 April 2022	-	42	52	94
Additions (including accruals)	-	-	-	-
Disposals	-	-	(52)	(52)
Adjustment arising on revaluation	-	-	-	-
At 31 March 2023	-	42	0	42
DEPRECIATION				
At 1 April 2022	-	30	47	77
Opening Balance Adjustment	-	-	5	5
Charge for the year	-	3	-	3
Disposals	-	-	(52)	(52)
Adjustment arising on revaluation	-	-	-	-
At 31 March 2023	-	33	0	33
CARRYING VALUE				
At 31 March 2022	-	12	5	17
At 31 March 2023	-	9	-	9

Asset Financing:	Land and Buildings £000s	Computer Equipment £000s	Fixtures and Fittings £000s	Total £000s
Owned	-	9	-	9
Finance Leased	-	-	-	-
On-balance sheet (SoFP) PFI (and other service concession arrangements) contracts	-	-	-	-
Carrying Value at 31 March 2023	-	9	-	9

Note 7: Plant and Equipment

Current Year:	Land and Buildings £000s	Computer Equipment £000s	Fixtures and Fittings £000s	Total £000s
COST OR VALUATION				
At 1 April 2022	-	42	52	94
Additions (including accruals)	-	-	-	-
Disposals	-	-	(52)	(52)
Adjustment arising on revaluation	-	-	-	-
At 31 March 2023	-	42	0	42
DEPRECIATION				
At 1 April 2022	-	30	51	81
Charge for the year	-	3	1	4
Disposals	-	-	(52)	(52)
Adjustment arising on revaluation	-	-	-	-
At 31 March 2023	-	33	0	33
CARRYING VALUE				
At 31 March 2022	-	12	5	17
At 31 March 2023	-	9	-	9

Asset Financing:	Land and Buildings £000s	Computer Equipment £000s	Fixtures and Fittings £000s	Total £000s
Owned	-	9	-	9
Finance Leased	-	-	-	-
On-balance sheet (SoFP) PFI (and other service concession arrangements) contracts	-	-	-	-
Carrying Value at 31 March 2023	-	9	-	9

Note 7: Plant and Equipment

Comparative Year:	Land and Buildings £000s	Computer Equipment £000s	Fixtures and Fittings £000s	Total £000s
COST OR VALUATION				
At 1 April 2021	-	38	48	86
Additions (including accruals)	-	4	4	8
Disposals	-	-	-	-
Adjustment arising on revaluation	-	-	-	-
At 31 March 2022	-	42	52	94
DEPRECIATION				
At 1 April 2021	-	27	46	73
Charge for the year	-	3	1	4
Disposals	-	-	-	-
Adjustment arising on revaluation	-	-	-	-
At 31 March 2022	-	30	47	77
CARRYING VALUE				
At 31 March 2021	-	11	1	12
At 31 March 2022	-	12	5	17

Asset Financing:	Land and Buildings £000s	Computer Equipment £000s	Fixtures and Fittings £000s	Total £000s
Owned	-	12	5	17
Finance Leased	-	-	-	-
On-balance sheet (SoFP) PFI (and other service concession arrangements) contracts	-	-	-	-
Carrying Value at 31 March 2022	-	12	5	17

Note 8: Assets Classified as Held for Sale

	2022/23 £000s	2021/22 £000s
Land and Buildings	-	-
TOTAL	-	-

Note 9: Trade Receivables and Other Current Assets

Amounts falling due within one year:	2022/23 £000s	2021/22 £000s
Trade receivables	-	-
Deposits and advances	-	-
Other Receivables*	1,747	1,747
Prepayments and accrued income	28	6
Current part of PFI (and other service concession arrangements) prepayment	-	-
Current part of NLF loan	-	-
TOTAL	1,775	1,753
Amounts falling due after more than one year:	2022/23 £000s	2021/22 £000s
Other Receivables*	-	-
TOTAL	-	-

*Under the Local Government Act (Northern Ireland) 1972, Section 40 Schedule 3 and the Housing Orders (NI) 1976 and 1981, the District Councils, Northern Ireland Housing Executive and Department for Communities have responsibility for meeting the expenditure of the Commission together with any contingencies.

As a result of the proposed dissolution of the Commission, as at 31 March 2023 there was an estimated liability of £1,747,473 due to exit costs from the NILGOSC pension scheme. Of this estimated liability, £1,740,727 was included in the provision and a £2,373 deficit was included in the pension liability (see Notes 12 and 13). These costs will be met by the Department for Communities. There was one redundancy payment made in the financial year up to 31 March 2023.

Note 9.1: Intra-Governments Balances

	Amounts falling due within one year £000s		Amounts falling due after more than One year £000s	
	2022/23	2021/22	2022/23	2021/22
Balances with central government	1,747	1,747	-	-
Balances with local authorities	2	5	-	-
Balances with NHS	-	-	-	-

bodies				
Sub-total: intra government balances	1,749	1,752	-	-
Balances with bodies external to Government	26	3	-	-
Trade Receivables at 31 March	1,775	1,755	-	-

Note 10: Cash and Cash Equivalents

	2022/23 £000s	2021/22 £000s
Balance at 1 April	903	360
Net change in cash and cash equivalent balances	(136)	543
Balance at 31 March	767	903
The following balances at 31 March were held at:		
Commercial banks and cash in hand	767	903

Note 11: Trade Payables and Other Current Liabilities

Amounts falling due within one year:	2022/23 £000s	2021/22 £000s
VAT	-	-
Other taxation and social security	(2)	-
Trade payables	-	-
Accruals	70	60
Accrued and deferred income	17	175
Current part of finance leases	-	-
Current part of imputed finance lease element of on balance sheet (SoFP) PFI contracts	-	-
Current instalments due on loans	-	-
TOTAL	85	235

Amounts falling due after more than one year:	2022/23 £000s	2021/22 £000s
Other payables, accruals and deferred income	-	-
TOTAL	-	-

Note 11.1 Intra-Government Balances

	Amounts falling due within one year £000s		Amounts falling due after more than one year £000s	
	2022/23	2021/22	2022/23	2021/22
Balances with central government	-	-	-	-
Balances with government bodies	9	10	-	-
Balances with local authorities	25	207	-	-
Balances with NHS bodies	-	-	-	-
Sub-total: intra-government balances	34	217	-	-
-Balances with bodies external to government	51	18	-	-
Trade payables at 31 March	85	235	-	-

Note 12: Provision for Liabilities and Charges

Current Year:	Departure Costs	Other	Total
	£000s	£000s	£000s
Balance at 1 April 2022	1,773	-	1,773
Provided in the year	(28)	-	(28)
Provisions utilised in the year	-	-	-
Provisions not required written back	-	-	-
Unwinding of discount	-	-	-
Balance at 31 March 2023	1,745	-	1,745

Analysis of expected timing of discounted flows

Current Year:	Departure Costs	Other	Total
	£000s	£000s	£000s
Not later than one year	-	-	-
Later than one year and not later than five years	1,745	-	1,745
Later than five years	-	-	-
Balance at 31 March 2023	1,745	-	1,745

Comparative Year:	Departure Costs	Other	Total
	£000s	£000s	£000s
Balance at 1 April 2021	1,516	-	1,516
Provided in the year	257	-	257
Provisions utilised in the year	-	-	-
Provisions not required written back	-	-	-
Unwinding of discount	-	-	-
Balance at 31 March 2022	1,773	-	1,773

Analysis of expected timing of discounted flows

Comparative Year:	Departure Costs	Other	Total
	£000s	£000s	£000s
Not later than one year	1,773	-	1,773
Later than one year and not later than five years	-	-	-
Later than five years	-	-	-
Balance at 31 March 2022	1,773	-	1,773

The Commission Dissolution was planned for 31 March 2017 (see Note 1 - Dissolution of the Commission). However, it has not been possible to have the necessary Dissolution Order in place. In November 2022 the Permanent Secretary, Department for Communities confirmed an extension to the provisional date for the dissolution of the Commission to 31 March 2025.

The liability for dissolution costs, as at 31 March 2023, includes exit costs from the NILGOSC pension scheme, which were provided by Aon Hewitt, NILGOSC Scheme's actuary on 27 June 2022, and redundancy costs. These costs are currently estimated to be a maximum of £1,743,100. £1,740,727 was included in the provision and £2,373 deficit was included in the pension liability (see Notes 12 and 13).

Total salary costs include redundancy costs for staff whose redundancy had already been agreed.

See also Note 9.

Note 13: Pensions Relating to Officers

	2022/23 £000s	2021/22 £000s
Scheme Liability at Beginning of the Year	26	(515)
Current Service Cost	(52)	(24)
Past Service (Cost)/Gain	-	-
Settlement Cost		
Employer Contributions	38	168
Net Return on Assets	1	(12)
Actuarial Gains/(Losses)	(13)	409
Scheme Surplus/(Deficit) at 31 March	0	26

Note 13(a): The fair value of the assets held by the pension scheme attributable to the Commission are analysed as follows:

	Expected Long Term Return at 31 March 2023 % p.a.	Assets at 31 March 2023 £000s	Expected Long Term Return at 31 March 2022 % p.a.	Assets at 31 March 2022 £000s
Equities	4.7	1,881	2.8	2,202
Bonds	4.7	1,110	2.8	1,380
Property	4.7	527	2.8	513
Cash	4.7	306	2.8	205
Other	4.7	879	2.8	831
Total		4,703		5,131

Note 13(b): Net Pension Asset

	31 March 2023 £000s	31 March 2022 £000s
Estimated Employer Assets (A)	4,703	5,131
Present Value of Scheme Liabilities	(4,106)	(5,025)
Present Value of Unfunded Liabilities	-	-
Total Value of Liabilities (B)	(4,106)	(5,025)
Net Pension Asset (A-B)	0.00	26

Note 13(c): Reconciliation of Defined Benefit Obligation

	Year to 31 March 2023 £000s	Year to 31 March 2022 £000s
Opening Defined Benefit Obligation	5,025	5,437
Current Service Cost	52	23
Interest Cost	138	113
Contributions by Members	7	3
Actuarial Losses/(Gains)	(897)	(317)
Past Service Costs/(Gains)	0	0
Losses/(Gains) on Curtailments	-	-
Liabilities Extinguished on Settlements	-	-
Liabilities Assumed in a Business Combination	-	-
Exchange Differences	-	-
Estimated Unfunded Benefits Paid	-	-
Estimated Benefits Paid	(219)	(234)
Settlements	-	-
Closing Defined Benefit Obligation	£4,106	£5,025

Note 13(d): Reconciliation of Fair Value of Employer Assets:

	Year to 31 March 2023 £000s	Year to 31 March 2022 £000s
Opening Fair Value of Employer Assets	5,131	4,922
Interest Income on Assets	141	100
Contributions by Members	7	3
Contributions by the Employer	38	168
Contributions in Respect of Unfunded Benefits	-	-
Remeasurement Gains/(Losses) on Assets	(395)	172
Assets Distributed on Settlements	-	-
Assets Acquired in a Business Combination	-	-
Exchange Differences	-	-
Unfunded Benefits Paid	-	-
Benefits Paid	(219)	(234)
Closing Fair Value of Employer Assets	4,703	5,131

Note 13(e): Net Return on Assets:

	Year to 31 March 2023 £000s	Year to 31 March 2022 £000s
Interest Income on Assets	141	100
Remeasurement Gains/(Losses) on Assets	(395)	172
Net Return	(254)	272

Note 13(f): Actuarial Analysis

	Year to 31 March 2023 %	Year to 31 March 2022 %
Pension Increase Rate (CPI)	2.7	3.4
Salary Increase Rate	4.2	4.6
Expected Return on Assets	2.8	5.6
Discount Rate	4.7	2.8

Note 13(g): Mortality Assumptions

Actuarial Assumptions for average future life expectancy at age 65	Males	Females
Current Pensioners	22.2 years	25 years
Future Pensioners (aged 45 at accounting date)	23.2 years	26 years

The mortality assumptions affect the length of time the benefits would be expected to be paid for. The mortality assumptions are based on actual mortality experience of members within the Fund based on analysis carried out as part of the 2022 Actuarial Valuation and allow for expected future mortality improvements.

Note 13(h): Summary of Experience Gains/ (Losses)

Actuarial gains and losses represent the extent to which actual outcomes have differed from the assumptions which were used in calculating IAS 19 figures. These actuarial gains and losses are shown in the table below as Experience Gains and Losses. Actuarial gains and losses are recognised as Other Comprehensive Net Expenditure (OCNE) and taken to reserves.

	Year to 31 Mar 2023 £000s	Year to 31 Mar 2022 £000s	Year to 31 Mar 2021 £000s	Year to 31 Mar 2020 £000s	Year to 31 Mar 2019 £000s
Fair Value of Employer Assets	4,703	5,131	4,922	4,143	4,768
Present Value of Defined Benefit Obligation	(4,106)	(5,025)	(5,437)	(4,645)	(5,344)
Surplus/(Deficit)	597	106	(515)	(502)	(576)
Remeasurement Gains/(Losses) on Assets	(395)	172	894	(567)	205
Actuarial Gains/(Losses) on Obligation	897	317	(711)	658	(63)
Paragraph 64 Adjustment	(515)	(80)			
Actuarial Gains/(Losses) recognised in OCNE	(13)	409	183	91	142

Note 14: Commitments under Leases

	2022/23 £000s	2021/22 £000s
Not later than one year	55	55
Later than one year and not later than five years	19	55
	74	110

The lease for rental of Commission House in place with Belfast City Council was terminated on 31 March 2023.

Note 15: Related Party Transactions

The Local Government Staff Commission is an Executive Non-Departmental Public Body (NDPB) sponsored by the Department for Communities. The Department for Communities is regarded as a related party. During the year, the Commission has had various material transactions with the Department and other entities for which the Department for Communities is regarded as having a general oversight role, viz, district Councils.

In addition, the Commission has had various material and other transactions with district Councils and the Northern Ireland Housing Executive.

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

Note 16: Financial Instruments

The Commission has no material risk exposure to Financial Instruments.

(a) **Credit Risk:** arises from deposits with banks and financial institutions, as well as credit exposures to the Commission's customers.

Trade debtors, inclusive of VAT, can be analysed by age as follows:

	2022/23 £	2021/22 £
Less than three months	£27,893	£3,154
Three to six months	-	-
Six months to one year	-	-
More than one year	-	-

There is no historical experience of default in relation to deposits with banks, other financial institutions and debtors. Therefore, there is no estimated exposure to risk of default.

(b) **Liquidity Risk:** All trade and other payables are due for payment within one year.

(c) **Market Risk:**

Interest Rate Risk – The Commission has no borrowings or investments and thus has no material exposure to loss arising from movements in interest rates.

Foreign Exchange Risk – The Commission has no financial assets or liabilities dominated in foreign currencies and thus has no material exposure to loss arising from movements in exchange rates.

Note 17: Target for Paying Invoices

The Commission is committed to the prompt payment of suppliers for goods and services within 10 working days on receipt of invoice, in accordance with the Better Payment Practice Code. Unless otherwise stated in the contract, payment is due within 30 days from the receipt of goods or services by The Commission, or on presentation of a valid invoice or similar demand to The Commission, whichever is later.

During the year, the Commission paid 388 invoices totalling £491,433.68

The Commission paid 384 (99%) invoices within the 10-day target.

Note 18: Assembly Accountability Disclosures

No losses, special payments or remote contingent liabilities were identified by the Commission in 2022/23.

Note 19: Events after the Reporting Period

There were no events occurring after 31 March 2023, which require adjustment to the Commission's financial statements or additional disclosures.

Date of Authorisation for Issue

The Chief Financial Officer authorised these financial statements for issue on **29 September 2023**.