
Returning Officers'
Expenses,
Northern Ireland

Statement of Accounts
2017/18

Returning Officers' Expenses, Northern Ireland

Statement of Accounts 2017/18

Presented to the House of Commons pursuant to Section 7 of the Government
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PERFORMANCE REPORT

OVERVIEW

The Northern Ireland Office supports the Secretary of State for Northern Ireland in promoting the best interests of Northern Ireland within a stronger United Kingdom. It ensures Northern Ireland interests are fully and effectively represented at Westminster and the heart of Government, and the Government's responsibilities are fully and effectively represented in Northern Ireland.

The Secretary of State for Northern Ireland has responsibility for electoral policy in Northern Ireland. As a result, the responsibility for setting the expenses of the Returning Officer for Northern Ireland rests with the Secretary of State for Northern Ireland.

The arrangements for electoral administration in Northern Ireland are different from elsewhere in the United Kingdom. The system in Northern Ireland is administered centrally by the Chief Electoral Officer for Northern Ireland who is an office holder independent of Government. She is assisted by the staff of the Electoral Office for Northern Ireland (the "EONI"), the administrative structure created to support her in the discharge of her duties.

The Chief Electoral Officer is both the electoral registration officer for all 18 constituencies in Northern Ireland and returning officer for all elections and referendums in Northern Ireland. The cost of running European and Parliamentary Elections is funded by the UK Consolidated Fund. Funding for the Northern Ireland Assembly Elections is provided to the Northern Ireland Office by the Northern Ireland Executive through agreed funding mechanisms. The costs of local elections are funded by local authorities.

The Secretary of State for Northern Ireland is accountable to Parliament for all expenditure by the Chief Electoral Officer.

A detailed account of the governance arrangements can be found in the Governance Statement.

PERFORMANCE ANALYSIS

	2017-18	2016-17
	£	£
Parliamentary Election 2015	(41,039)	-
Assembly Election 2016	(16,492)	5,127,123
Assembly Election 2017	(14,204)	4,730,606
Parliamentary Election 2017	4,013,132	-

2015 UK Parliamentary election

The 2015 Parliamentary Election was held on 7 May 2015. The costs were recorded in previous accounts however an adjustment to reduce previously recorded costs is required to take account of variance in final costs.

2016 Assembly election

The 2016 Assembly Election was held on 5 May 2016. The costs were recorded in previous accounts however an adjustment to reduce previously recorded costs is required to take account of variance in final costs.

2017 Assembly election

The 2017 Assembly Election was held on 2 March 2017. The costs were recorded in previous accounts however an adjustment to reduce previously recorded costs is required to take account of variance in final costs.

2017 UK Parliamentary election

The 2017 Parliamentary Election was held on 8 June 2017. The election incurred candidates' mailing costs of £981,173, while the cost of conducting the poll was £3,031,959, resulting in an overall cost of £4,013,132.

Deposits

The deposits of £19,500 forfeited by thirty nine candidates in the 2017 Parliamentary Election whose votes did not exceed 5% of the quota of valid votes were surrendered to the Consolidated Fund during 2017-18.

Candidates' mailings

The cost of candidates' mailing expenses, where there is provision in statute for the costs to be met, is funded separately from Returning Officers' fees for all elections.

Audit Arrangements

The account is audited by the Comptroller and Auditor General. The National Audit Office's fee for audit of the Returning Officer's Expenses, Northern Ireland in 2017-18 was £9,000 (2016-17: £9,000). The cost of the audit is accounted for within the Northern Ireland Office's (NIO) vote and reported in the NIO's Annual Report and Accounts 2017-18.

Sir Jonathan Stephens KCB
Accounting Officer
18th July 2018

ACCOUNTABILITY REPORT

Governance Report

Director's Report

Introduction

These accounts cover the year 1 April 2017 to 31 March 2018 and have been prepared in a form directed by HM Treasury.

The legislative framework

Under section 29(3) of the Representation of the People Act 1983 as amended by section 68 of the Electoral Administration Act 2006, a Returning Officer is entitled to recover their charges in respect of services necessarily rendered, or expenses necessarily incurred, for or in connection with, a Parliamentary election and for Northern Ireland Assembly elections as provided by article 3(1) of, and Schedule 1 to, the Northern Ireland Assembly Elections (Elections) Order 2001.

The overall maximum recoverable amount that the Returning Officer in Northern Ireland may recover in respect of services rendered, or expenses incurred, for or in connection with Parliamentary or Assembly elections is set out in an Order by the Secretary of State for Northern Ireland. For Parliamentary elections the Order requires the consent of two of the Lords Commissioners of Her Majesty's Treasury.

Charges Orders

The Parliamentary Elections (Returning Officer's Charges) (Northern Ireland) Order 2017 (S.I. 2017 No. 652), the Parliamentary Elections (Returning Officer's Charges) (Northern Ireland) Order 2015 (S.I. 2015 No. 885) and the Northern Ireland Assembly Elections (Returning Officer's Charges) Order 2016 (S.I. 2016 No. 473) which came into force on 9 May 2017, 21 March 2015 and 23 March 2016 respectively, set the overall maximum recoverable amount that the Returning Officer may recover in respect of the electoral region of Northern Ireland and each of the eighteen Parliamentary Constituencies in Northern Ireland.

Accounts regulations

Under the Returning Officer's Accounts (Parliamentary Elections) (Northern Ireland) Regulations 1991, the Returning Officer must submit his account to the Northern Ireland Office within the period of twelve months commencing with the day of the declaration of result of the election to which the charges in the account relate.

Funding Mechanism

UK Parliamentary Elections are financed from the UK Consolidated Fund. Funding for the Northern Ireland Assembly Elections is provided to the Northern Ireland Office by the Northern Ireland Executive through agreed funding mechanisms. Funding for elections is held in separate bank accounts from the departmental commercial bank accounts.

Statement of Accounting Officer's Responsibilities

Under the Government Resources and Accounts Act 2000 (the GRAA), HM Treasury has directed the Northern Ireland Office to prepare, for each financial year, a statement of accounts in respect of the Returning Officers' Expenses for Northern Ireland in the form and on the basis set out in the Accounts Direction which they have provided.

The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of the Returning Officers' Expenses for Northern Ireland at 31 March 2018 and of their income and expenditure, changes in taxpayers' equity and cash flow 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 Treasury, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis;
- make judgements and estimates on a reasonable basis;
- state whether applicable accounting standards as set out in the Government Financial Reporting Manual have been followed, and disclose and explain any material departures in the accounts; and
- prepare the accounts on a going concern basis.

HM Treasury has appointed the Permanent Secretary of the Northern Ireland Office as Accounting Officer for Returning Officers' Expenses in Northern Ireland.

Statement on the disclosure of relevant audit information

I hereby confirm that so far as I am aware, there is no relevant audit information of which the Office's auditors are unaware and that I have taken all reasonable steps to ensure that I am aware of any relevant audit information and to establish that the Office's auditors are aware of that information.

I hereby confirm that the annual report and accounts as a whole are fair, balanced and understandable, and that I take personal responsibility for the annual report and accounts and the judgements required for determining that they are fair, balanced and understandable.

Governance Statement

Introduction

As Principal Accounting Officer, I have personal responsibility for the robustness of the control and governance arrangements operated by the Chief Electoral Officer. This Governance Statement outlines how I have discharged my responsibility to manage and control the resources made available to the Chief Electoral Officer during the course of the year. This sound governance system, as outlined in this Statement, supports the achievement of the Chief Electoral Officer's and the wider Department's policies, aims and objectives, whilst safeguarding public funds and Departmental assets in accordance with the responsibilities assigned to me in Managing Public Money.

I also have responsibility for reviewing the effectiveness of the system of internal control operated by the Chief Electoral Officer. My assessment of the effectiveness of the governance arrangements is informed by: the work of the internal auditors; the assurances provided by the Chief Electoral Officer who has responsibility for the development and maintenance of the internal control framework; assurances provided by managers within the Department who have sponsorship responsibility for the Chief Electoral Officer; and comments made by the external auditors in their management letter and other reports. I am also advised on the Chief Electoral Officer's system of internal control by the Department's Audit and Risk Committee.

Governance Framework

The Chief Electoral Officer has agreed a Framework Document with the Northern Ireland Office which outlines the roles and responsibilities of each party, including the governance arrangements established in relation to the administrative and financial support provided by the Department to the Chief Electoral Officer. A review of the Framework Document was completed during the reporting period and an updated version will be signed off shortly.

The Framework Document is supported within the Electoral Office (EONI) by internal governance policies, guidance that draw on best practice and Departmental guidance on matters such as: Anti-Fraud and Whistleblowing; Gifts and Hospitality; Financial Management; Procurement; Risk Management and Information Assurance.

Governance Structure

The Northern Ireland Office Board has a corporate responsibility for setting objectives, agreeing priorities and implementing ministerial policy, including ensuring that the Chief Electoral Officer discharges her statutory duties and complies with her governance responsibilities. The Board also has responsibility for monitoring the Chief Electoral Officer's financial performance and ensuring that she complies with key policies, such as those relating to risk management, information assurance and workforce planning. Further details of the Board's governance arrangements can be found in the Departments Annual Report and Accounts. The latest version of which can be found at:

<https://www.gov.uk/government/publications/nio-annual-report-and-accounts-2016-17>

At an organisational level the Chief Electoral Officer is supported by the EONI Senior Management Team. The Senior Management Team meets at least monthly and provides collective strategic and operational leadership and monitors progress against business plans. It also plays an important role in managing corporate governance, audit arrangements, financial management, contracts and procurement, staffing issues, risk management and complaints. The equality and human rights obligations of any policy matter are considered as part of the normal decision making process.

Each year, the EONI publishes a business plan that outlines the practical objectives set for the organisation from the strategic plan. The EONI's business plan for 2017-18 can be found at:

<http://www.eoni.org.uk/getmedia/15e0f128-0853-4916-9e15-203de7490dae/Business-Plan-2017-18>

The achievement of targets and objectives is contained within the Chief Electoral Officer's Annual Report. The latest version was published in October 2017 and can be found at:

www.eoni.org.uk/Utility/About-EONI/Plans-and-reports

Audit and Risk Committee

The Chief Electoral Officer does not operate a separate audit and risk committee; however, there is a long-standing agreement that the Department's Audit and Risk Committee will provide an oversight and challenge function to ensure that resources provided by the Northern Ireland Office are used appropriately. The Committee, in turn, provides assurances to the Department's Accounting Officer.

The Audit and Risk Committee received regular updates on the operation of the EONI's governance arrangements and the Committee took assurance from the Chief Electoral Officer's stewardship statement returns. The Chief Electoral Officer also attended a Committee meeting in April 2018 to discuss matters of interest.

On the basis of the issues discussed and evidence presented at its meetings, the Audit and Risk Committee concluded that the assurances it received throughout the year were satisfactory, and it was not aware of any significant internal control issues.

Internal Audit

During 2017-18, internal audit services were provided to the Chief Electoral Officer by the Government Internal Audit Agency (GIAA) under a Memorandum of Understanding. The Head of Internal Audit for the EONI is required to submit regular reports to the Chief Electoral Officer and report any significant internal control problems to the Department's Audit and Risk Committee.

The audit plan for 2017-18 was due to focus on Change Management and Financial Systems Review; however, the plan was revised in-year to include coverage of the June 2017 Parliamentary Election Account and the review of Financial Systems was

postponed. The planned review of Change Management was refocused on Data Handling and IT to reflect the EONI's evolving priorities and changes to data protection laws.

The auditors made a total of 17 recommendations with a priority of medium or low. There were no high priority recommendations. Progress on implementation of these recommendations is monitored by the Chief Electoral Officer and the EONI Senior Management Team.

The overall internal audit opinion for 2017-18 reports a moderate level of assurance that the EONI's overall risk control and governance framework is adequate to enable the achievement of its objectives and that the EONI's key risks are being effectively measured. The opinion is based on a programme of work which has covered a reasonable range of areas

Information Assurance

I am responsible for ensuring that information risks are assessed and mitigated to an acceptable level. Information is a key business asset for the Chief Electoral Officer and she continues to make Information Assurance a priority.

In her role as Information Asset Owner, the Chief Electoral Officer manages information assurance and risk across her organisation. All EONI staff are required to complete an annual mandatory Data Handling e-learning package, "Responsible for Information", provided by Civil Service Learning.

This year the Chief Electoral Officer focused on developing implementation plans for the General Data Protection Regulations. Progress was monitored by the Department's Executive Management Committee and Audit and Risk Committee.

I am satisfied that the Chief Electoral Officer has implemented the necessary internal controls and measures, policies and training to ensure that her employees continued to comply with Government standards.

Risk Management

As Accounting Officer, I acknowledge my overall responsibility for the effective management of risk within the Northern Ireland Office and its sponsored bodies. In meeting this responsibility, I am supported by the Board and the Audit and Risk Committee. The Board owns and maintains the corporate risk register, which sets out the key strategic risks facing the wider Department and the controls in place to manage these risks, and reviews this document on a quarterly basis. The Audit and Risk Committee receive the register for periodic review, as well as regular updates on the Department's sponsored bodies.

The senior risk owner within the EONI is the Chief Electoral Officer who delegates accountability for risk management to her Senior Managers. Senior Managers are in turn responsible for personally managing the risks in their respective business area and reporting to the Chief Electoral Officer.

The EONI Strategic Risk Register is regularly submitted to the Department's sponsor team who report any significant risks to the Audit and Risk Committee.

During the reporting period, I received assurance first hand through discussions with the Chief Electoral Officer, sponsoring Deputy Director and the chair of the Audit and Risk Committee.

Review of Effectiveness

As Accounting Officer, I have responsibility for reviewing the effectiveness of the system of internal control within the Department and its sponsored bodies. My review is informed by the work of auditors, an assurance from the Department's sponsor team and the stewardship statement from the Chief Electoral Officer, which includes assurances from her that the EONI's system of internal control is based on a framework of regular management information, financial regulations, administrative procedures including segregation of duties, and a system of delegation and accountability.

For the period 2017-18, I am able to report that there were no significant weaknesses in the Chief Electoral Officer's system of internal controls which affected the achievement of the EONI's objectives, the Chief Electoral Officer's statutory duties or the Department's key policies, aims and objectives. In addition, I am satisfied that the Chief Electoral Officer exercised control over the election expenses through detailed review of expenditure.

Sir Jonathan Stephens KCB
Accounting Officer
18th July 2018

Parliamentary Accountability and Audit Report

Parliamentary Accountability Disclosures

(This section is subject to audit)

1. Income payable to the Consolidated Fund

Forfeited Deposits	2017-18 £	2016-17 £
2016 Assembly Election	-	15,600
2017 Assembly Election	-	13,350
2017 Parliamentary Election	19,500	-
Total	19,500	28,950

2. Regularity of expenditure

All expenditure was applied to the purpose intended by Parliament.

3. Losses and special payments

There are no losses and special payments to report. (2016-17: Nil).

4. Contingent Liabilities

There are no remote contingent liabilities requiring disclosure.

5. Fees and Charges

No fees or charges were paid (2016-17: Nil).

Sir Jonathan Stephens KCB
Accounting Officer
18th July 2018

**THE CERTIFICATE AND REPORT OF THE COMPTROLLER AND AUDITOR
GENERAL TO THE HOUSE OF COMMONS****Opinion on financial statements**

I certify that I have audited the financial statements of the Returning Officers' Expenses (Northern Ireland) for the year ended 31 March 2018 under the Government Resources and Accounts Act 2000. The financial statements comprise: the Statements of Comprehensive Net Expenditure, Financial Position, Cash Flows, Changes in Taxpayers' Equity; and the related notes, including the significant accounting policies. These financial statements have been prepared under the accounting policies set out within them. I have also audited the information in the Parliamentary Accountability Disclosures that is described in that report as having been audited.

In my opinion:

- the financial statements give a true and fair view of the state of affairs of the Returning Officers' Expenses (Northern Ireland) as at 31 March 2018 and of its net expenditure for the year then ended; and
- the financial statements have been properly prepared in accordance with the Government Resources and Accounts Act 2000 and HMT Treasury directions issued thereunder.

Opinion on regularity

In my opinion, in all material respects the income and expenditure 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.

Basis of opinions

I conducted my audit in accordance with International Standards on Auditing (ISAs) (UK) and Practice Note 10 'Audit of Financial Statements of Public Sector Entities in the United Kingdom. My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of my certificate. Those standards require me and my staff to comply with the Financial Reporting Council's Revised Ethical Standard 2016. I am independent of the Returning Officers' Expenses (Northern Ireland) in accordance with the ethical requirements that are relevant to my audit and the financial statements in the UK. My staff and I have fulfilled our other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Responsibilities of the Accounting Officer for the financial statements

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.

Auditor's responsibilities for the audit of the financial statements

My responsibility is to audit, certify and report on the financial statements in accordance with the Government and Resources and Accounts Act 2000.

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. 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.

As part of an audit in accordance with ISAs (UK), I exercise professional judgment and maintain professional scepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the Returning Officers' Expenses (Northern Ireland) circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Returning Officers' Expenses (Northern Ireland) internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Returning Officers' Expenses (Northern Ireland) ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.

- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

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

Other Information

The Accounting Officer is responsible for the other information. The other information comprises information included in the Performance Report and Accountability Report, other than the parts of the Accountability Report described in that report as having been audited, the financial statements and my auditor's report thereon. My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon. In connection with my audit of the financial statements, 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, 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:

- the parts of the Accountability Report to be audited have been properly prepared in accordance with HM Treasury directions made under the Government Resources and Accounts Act 2000;
- in the light of the knowledge and understanding of the Returning Officers' Expenses (Northern Ireland) and its environment obtained in the course of the audit, I have not identified any material misstatements in the Performance Report or the Accountability Report; and
- the information given in the Performance Report and Accountability Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which I report by exception

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 parts of the Accountability 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 **18th July 2018**

FINANCIAL STATEMENTS

Statement of Comprehensive Net Expenditure For the Year Ended 31 March 2018

		2017-18	2016-17
		£	£
	Note		
2015 Parliamentary Election			
Conduct of the poll	2	(41,039)	-
Candidate Mailing Costs		-	-
2016 Assembly Election			
Conduct of the poll	2	(16,492)	3,260,361
Candidate Mailing Costs		-	1,866,762
2017 Assembly Election			
Conduct of the poll	2	(14,204)	3,197,211
Candidate Mailing Costs		-	1,533,395
2017 Parliamentary Election			
Conduct of the poll	2	3,031,959	-
Candidate Mailing Costs		981,173	-
Total Election Expenses		3,941,397	9,857,729
Income payable to the consolidated fund		(19,500)	(28,950)
Comprehensive Net Expenditure		3,921,897	9,828,779

The notes on pages 27 to 31 form part of these accounts.

Statement of Financial Position As at 31 March 2018

		31 March 2018	31 March 2017
		£	£
	Note		
Current assets			
Trade and other receivables	3	-	24,310
Cash and cash equivalents	4	923,227	3,964,084
Total current assets		923,227	3,988,394
Current Liabilities			
Trade and other payables	5	(923,227)	(3,988,394)
Total current liabilities		(923,227)	(3,988,394)
Total assets less current liabilities		-	-
Taxpayers' equity			
General fund		-	-
Total equity		-	-

Signed:

Accounting Officer: Sir Jonathan Stephens KCB

Date: 18th July 2018

The notes on pages 27 to 31 form part of these accounts.

Statement of Cashflows

For the Year Ended 31 March 2018

		2017-18	2016-17
	Note	£	£
Cash flows from operating activities			
Net operating cost		(3,921,897)	(9,828,779)
(Increase)/decrease in trade and other receivables	3	24,310	46,002
Increase/(decrease) in trade and other payables	5	(3,065,167)	3,704,791
<i>less movements in payables relating to items not passing through the Statement of Comprehensive Net Expenditure¹</i>		(563,869)	(211,271)
Net cash outflow from operating activities		(7,526,623)	(6,289,257)
Cash flows from financing activities			
From the Consolidated Fund (non-supply)		4,505,266	10,069,000
Net financing		4,505,266	10,069,000
Non-Voted receipts of current year surrendered to the consolidated fund		(19,500)	(28,950)
Non-Voted receipts of prior year surrendered to the consolidated fund		-	-
Net increase/(decrease) in cash and cash equivalents in the period after adjustment for receipts and payments to the Consolidated Fund	4	(3,040,857)	3,750,793
Cash and cash equivalents at the beginning of the period	4	3,964,084	213,291
Cash and cash equivalents at the end of the period	4	923,227	3,964,084

¹This figure includes £48,106 of funding for the 2014 combined elections which was repaid to the Consolidated Fund in 2017-18

The notes on pages 27 to 31 form part of these accounts.

Statement of Changes in Taxpayers' Equity for the Year ended 31 March 2018

	2017-18	2016-17
Note	£	£
Balance at 1 April	-	-
Consolidated Fund Standing Services (non-supply)	4,505,266	10,069,000
Non-voted receipts surrendered to the Consolidated Fund	(19,500)	(28,950)
Comprehensive Net (expenditure) / Income for the year	(3,921,897)	(9,828,779)
Utilisation of election advances from consolidated fund	(563,869)	(211,271)
Balance at 31 March	-	-

The notes on pages 27 to 31 form part of these accounts.

NOTES TO THE RETURNING OFFICERS' EXPENSES ACCOUNTS

1. Statement of accounting policies

1.1 Statement of compliance

This statement of accounts has been prepared in accordance with the 2017-18 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 for the purpose of giving a true and fair view has been selected. The particular policies adopted are described below. They have been applied consistently in dealing with items that are considered material to the statement of accounts.

1.2 Basis of preparation

This statement of accounts has been prepared under the modified historic cost convention.

1.3 Going concern

The statement of accounts has been prepared on the basis of going concern. The election expenses of the Returning Officer for Northern Ireland for European, Parliamentary and Assembly elections are met directly from HM Treasury's Consolidated Fund as a Consolidated Fund Standing Service without the need for further annual authorisation from Parliament.

1.4 Programme expenditure

The Statement of Comprehensive Net Expenditure classifies income and expenditure as programme. This classification follows the definition set out in the Consolidated Budgeting Guidance issued by HM Treasury which describes programme expenditure as associated with the provision of direct frontline services.

1.5 Income payable to the Consolidated Fund

The forfeited deposits of unsuccessful election candidates are accounted for on an accruals basis and are treated as non-voted receipts surrenderable to the Consolidated Fund; see Note 1.9. Deposits are forfeited by those candidates who fail to obtain one twentieth of the total valid votes cast at UK Parliamentary elections and by-elections or one quarter of the quota at Northern Ireland Assembly Elections.

1.6 Value added tax

The activities performed by the Returning Officers are outside the scope of VAT. Irrecoverable VAT is charged to the relevant expenditure category.

1.7 Financial assets

Trade and other receivables are recognised and carried at the lower of their original invoiced value and recoverable amount. Provision is made where there is objective evidence that balances

will not be recovered in full. Balances are written off when the probability of recovery is assessed as being remote.

1.8 Cash and cash equivalents

Cash in the Statement of Financial Position comprises cash at bank. For the purpose of the Cash Flow Statement, cash and cash equivalents consist of cash, net of outstanding bank overdrafts.

1.9 Financial liabilities

Trade and other payables are recognised at cost which is deemed to be materially the same as the fair value. Trade and other payables include cash drawdown to fund elections which if unspent is surrenderable to the Consolidated Fund.

Non-voted receipts surrenderable to the Consolidated Fund

Election expenses are classified as Consolidated Fund Standing Services which Parliament has decided by statute should be met directly from the Consolidated Fund rather than being voted annually by Parliament. The Consolidated Fund is the Government's current account operated by HM Treasury. Non-voted receipts include forfeited deposits (see Note 1.5).

1.10 Impending application of newly issued accounting standards not yet effective

The following new standards, interpretations and amendments, which have been adopted by the EU but are not yet effective, may have an impact on future Returning Officers' Expenses accounts:

IFRS 9 - Financial Instruments replaces IAS 39 Financial Instruments: Recognition and Measurement and has an effective date of 1st January 2018. The FReM applies the EU adopted IFRS which is consistent with the Government Resource Accounts Act 2000. The new standard is to be applied in central government from 2018-19. IFRS 9 provides a more principles-based approach to the accounting for financial instruments, including their classification and measurement.

IFRS 15 - Revenue from Contracts with Customers replaces IAS 18 Revenue Recognition and is to be applied in central government from 2018-19. The core principle of this standard is that an entity recognises revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled to in exchange for those goods or services.

IFRS 16 - Leases replaces IAS 17 Leases and related interpretations and has an effective date of 1st January 2019. The new standard provides a single lessee accounting model, requiring lessees to recognise assets and liabilities for all leases unless the lease term is 12 months or less or the underlying asset has a low value. Lessors continue to classify leases as operating or finance, with IFRS 16's approach to lessor accounting substantially unchanged from its predecessor, IAS 17. The new standard is expected to be applied in central government from 1st April 2019.

It is anticipated that the adoption of these standards is unlikely to have material impact on the financial statements in the period of application.

2. Election Expenses

Constituency	£ 2017 Parliamentary Election	£ 2016 Assembly Election	£ 2017 Assembly Election	£ 2015 Parliamentary Election	£ 2017-18 Total	£ 2016-17 Total
Belfast East	162,075	(896)	(772)	(2,230)	158,177	351,292
Belfast North	176,438	(849)	(731)	(2,111)	172,747	362,352
Belfast South	165,101	(789)	(679)	(1,963)	161,670	347,925
Belfast West	163,759	(837)	(720)	(2,082)	160,120	353,868
East Antrim	142,440	(849)	(731)	(2,111)	138,749	334,295
East Londonderry	171,184	(908)	(782)	(2,260)	167,234	356,307
Fermanagh and South Tyrone	187,958	(1,064)	(916)	(2,647)	183,331	406,536
Foyle	167,424	(895)	(772)	(2,231)	163,526	354,843
Lagan Valley	173,769	(895)	(772)	(2,231)	169,871	343,386
Mid Ulster	163,619	(908)	(782)	(2,260)	159,669	370,689
Newry and Armagh	183,788	(1,016)	(875)	(2,528)	179,369	370,513
North Antrim	184,105	(1,123)	(968)	(2,795)	179,219	422,481
North Down	146,042	(849)	(730)	(2,111)	142,352	313,238
South Antrim	146,350	(813)	(700)	(2,022)	142,815	319,624
South Down	194,338	(1,016)	(875)	(2,528)	189,919	369,224
Strangford	139,767	(801)	(690)	(1,992)	136,284	303,609
Upper Bann	184,775	(1,004)	(865)	(2,498)	180,408	376,375
West Tyrone	179,027	(980)	(844)	(2,439)	174,764	401,015
Total	3,031,959	(16,492)	(14,204)	(41,039)	2,960,224	6,457,572

This note discloses expenditure incurred in conducting election polls for the Parliamentary Election in 2017, the Northern Ireland Assembly Elections in 2016 and 2017 and the Parliamentary Election in 2015.

3. Trade and Other Receivables

	2017-18 £	2016-17 £
Amounts owed by Councils	-	-
Prepayments and Accrued Income	-	24,310
Total	-	24,310

4. Cash and Cash Equivalents

	2017-18	2016-17
	£	£
Balance at 1 April	3,964,084	213,291
Net change in cash and cash equivalents	(3,040,857)	3,750,793
Balance at 31 March	923,227	3,964,084

The following balances at 31 March were held at :
Government Banking Service

Balance at 31 March	923,227	3,964,084
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5. Trade and Other Payables

	2017-18	2016-17
	£	£
Candidate Deposits	-	-
Accruals	163,494	3,744,424
Advances from the Consolidated Fund	759,733	243,970
Total	923,227	3,988,394

The advances retained of £759,733 will contribute to any final payments before the current election accounts are closed and any remaining balance will be returned to the Consolidated Fund.

6. Financial instruments

IFRS 7 Financial Instruments Disclosures requires disclosure of the role financial instruments have had during the period in creating or changing the risks an entity faces in undertaking its activities. Funding for the Returning Officers' expenses is received directly from the Consolidated Fund and therefore there is no exposure to liquidity risk. Material deposits are held with the Government Banking Service so there is no exposure to interest rate risk. All material assets and liabilities are denominated in sterling so there is no exposure to exchange rate risk.

7. Related Party Transactions

During the year, transactions were conducted with the Consolidated Fund as described in the accounts, as provided for by the funding arrangements for election expenses.

In addition, neither the Chief Electoral Officer nor the EONI had any material transactions with other entities which, for reporting purposes, are regarded as related parties.

None of the key managerial staff or other related parties had undertaken any material transactions with the Chief Electoral Officer or the EONI during the year.

8. Events after the reporting period

In accordance with the requirements of IAS 10 Events after the Reporting Period, events after the reporting period are considered up to the date on which the accounts are authorised for issue by the Accounting Officer. There were no events recorded after the Statement of Financial Position date which affected the true and fair view of the accounts.

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

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