

LAGAN

RURAL PARTNERSHIP

Financial Statements

For the Year Ending 31st March 2011



LAGAN RURAL PARTNERSHIP JOINT COUNCIL COMMITTEE
Financial Statements
For the year ending 31 March 2011

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LAGAN RURAL PARTNERSHIP JOINT COUNCIL COMMITTEE
Financial Statements
For the year ending 31 March 2011
Explanatory Foreword

Introduction

These financial statements have been prepared in line with the Code of Practice on Local Authority Accounting in the UK 2010/11 (the Code) and the Department of the Environment Accounts Direction, Circular LG 05/11 dated 22 April 2011. It is the purpose of this foreword to explain, in an easily understandable way the financial facts in relation to the Joint Committee. Comparative figures have been re-stated to take account of changes in accounting requirements as a result of the introduction of the code.

Lagan Rural Partnership Joint Council Committee is the Administrative and Lead Financial Actor within the terms of the Local Government (Constituting a Joint Committee) Order (Northern Ireland) 2009 for the Local Action Group in the development and implementation of the agreed local rural development strategy for the rural areas within Lisburn City Council, Castlereagh Borough Council and Belfast City Council under Axis 3 of the Northern Ireland Rural Development Programme 2007 – 2013.

Joint Council Committee

The Joint Council Committee is made up of elected members from each of the three Council areas (7 elected members from Lisburn City Council, 3 elected members from Castlereagh Borough Council and 1 elected member from Belfast City Council). The Joint Council Committee is primarily the financial administrator for the Local Action Group in the receipt, payment, disbursement, management and accounting for funds awarded.

Local Action Group

The Local Action Group is also made up of elected members from each of the three Council areas (7 elected members from Lisburn City Council, 3 elected members from Castlereagh Borough Council and 1 elected member from Belfast City Council) and eleven social partners from the same Council areas representing the agriculture, rural business and rural community sectors (7 social partners from Lisburn City Council, 3 social partners from Castlereagh Borough Council and 1 social partner from Belfast City Council). The Local Action Group is primarily responsible for issuing calls for applications, appraisal, assessment and scoring of projects, recommending projects for approval/rejection by the Joint Council Committee and monitoring and evaluating the progress of the rural development strategy.

The Local Government (Northern Ireland) Order 2005, Article 3, defines a Joint Committee of two or more councils to be a local government body and provides that :-

the accounts of every local government body shall be:-

- (a) made up to the end of each financial year; and
- (b) audited in accordance with this part by a local government auditor designated by the Department, after consultation with the Comptroller and Auditor General for Northern Ireland".

This Statement of Accounts explains the Joint Committee's finances during the financial year 2010/11 and its financial position at the end of that year. It follows approved accounting standards and is necessarily technical in parts.

The Explanatory Foreword is not part of the financial statements but is prepared on the basis that it is consistent with the financial statements. In addition, the Explanatory Foreword does not purport to comment on Joint Committee policies.

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Group Accounts

The Code requires Local Authorities to consider all their interests and to prepare a full set of group financial statements where they have material interests in subsidiaries, associates or joint ventures. The Joint Committee does not have material interests in such bodies and accordingly is not required to prepare group financial statements.

The Movement in Reserves Statement

This Statement, as set out on page 12, shows the movement in the year on the different reserves held by the Joint Committee, analysed into 'usable reserves' (i.e. those that can be applied to fund expenditure) and other reserves. The 'Surplus or (deficit) on the provision of services' line shows the true economic cost of providing the Joint Committee's services, more details of which are shown in Comprehensive Income and Expenditure Statement. The 'Net Increase /Decrease before transfers to earmarked reserves' line shows the Comprehensive Income and Expenditure Statement Balance before any discretionary transfers to or from statutory and other reserves undertaken by the Joint Committee.

The Comprehensive Income and Expenditure Statement

This statement, as set out on page 13, shows the income earned and expenditure incurred during the year by the Joint Committee in accordance with generally accepted accounting practices.

The Balance Sheet

The Balance Sheet, as set out on page 14, shows the value as at the Balance Sheet date of the Joint Committee's assets and liabilities. The net assets of the Joint Committee (assets less liabilities) are matched by the reserves held by the Joint Committee. Reserves are reported in two categories. The first category of reserves are usable reserves, i.e. those reserves that the Joint Committee may use to provide services, subject to the need to maintain a prudent level of reserves and any statutory limitations on their use (for example the Capital Receipts Reserve that may only be used to fund capital expenditure or repay debt). The second category of reserves are those that the Joint Committee is not able to use to provide services. This category of reserves includes reserves that hold unrealised gains and losses (for example the Revaluation Reserve), where amounts would only become available to provide services if the assets are sold; and reserves that hold timing differences shown in the Movement in Reserves Statement line 'Adjustments between accounting basis and funding basis under regulations'.

The Cash Flow Statement

The Cash Flow Statement shows the changes in cash and cash equivalents of the Joint Committee during the reporting period. The statement shows how the Joint Committee generates and uses cash and cash equivalents by classifying cash flows as operating, investing and financing activities. The amount of net cash flows arising from operating activities is a key indicator of the extent to which the operations of the Joint Committee are funded by way of grant income and Council contributions, or from the recipients of services provided by the Joint Committee. Investing activities represent the extent to which cash outflows have been made for resources which are intended to contribute to the Joint Committee's future service delivery. Cash flows arising from financing activities are useful in predicting claims on future cash flows by providers of capital (i.e. borrowing) to the Joint Committee.

Financial Report

Since inception, the Joint Council Committee has issued letters of offer to 62 eligible projects, representing a total grant commitment of £1.75 million. To date, 25 projects have also drawn down actual grant from the Department of Agriculture and Rural Development of £446,000 based on expenditure incurred in the 2011/2012 financial year. (actual funding paid from DARD)

LAGAN RURAL PARTNERSHIP JOINT COUNCIL COMMITTEE

Financial Statements

For the year ending 31 March 2011

For the year ended 31 March 2011 the Joint Committee decreased its General Reserve Balance by £718 to a debit balance of £16,199. This represents total disallowed expenditure for the project and will be shared with Partners. The Joint Committee received grant income of £223,603. It incurred total costs of £224,321.

LAGAN RURAL PARTNERSHIP JOINT COUNCIL COMMITTEE

Financial Statements

For the year ending 31 March 2011

Statement of the Joint Committee's and Chief Financial Officer's Responsibilities for the Statement of Accounts

The Joint Committee's Responsibilities

Under Section 54 of the Local Government Act (Northern Ireland) 1972 the Joint Committee shall make safe and efficient arrangements for the receipt of money paid to it and the issue of money payable by it, and those arrangements shall be carried out under the supervision of such officer of the Joint Committee as the Joint Committee designates as its Chief Financial Officer.

Under Regulation 5 of the Local Government (Accounts and Audit) Regulations (Northern Ireland) 2006 the Joint Committee is required by resolution to approve the accounts.

These accounts were approved by Joint Council Committee on 28 June 2011.

The Chief Financial Officer's Responsibilities

Under Regulation 4(1) of the Local Government (Accounts and Audit) Regulations (Northern Ireland) 2006, the Chief Financial Officer is responsible for the preparation of the Joint Committee's Statement of Accounts in the form directed by the Department of the Environment.

The accounts must give a true and fair view the income and expenditure and cash flows for the financial year and the financial position as at the end of the financial year.

In preparing this Statement of Accounts, the Chief Financial officer is required to:

- observe the Accounts Direction issued by the Department of the Environment including compliance with the Code of Practice on Local Authority Accounting in the United Kingdom
- follow relevant accounting and disclosure requirements and apply suitable accounting policies on a consistent basis, and
- make judgements and estimates that are reasonable and prudent.

The Chief Financial Officer is also required to:

- keep proper accounting records that are up-to-date, and
- take reasonable steps for the prevention and detection of fraud and other irregularities.

LAGAN RURAL PARTNERSHIP JOINT COUNCIL COMMITTEE
Financial Statements
For the year ending 31 March 2011
NORTHERN IRELAND LOCAL GOVERNMENT BODIES'
ANNUAL GOVERNANCE STATEMENT 2010/2011

Scope of Responsibility

The Joint Council Committee is responsible for ensuring that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for, and used economically, efficiently and effectively. The Joint Council Committee also has a duty under the Local Government (Best Value) Act (Northern Ireland) 2002 to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.

In discharging this overall responsibility, the Joint Council Committee is responsible for putting in place proper arrangements for the governance of its affairs, facilitating the effective exercise of its functions, and which includes arrangements for the management of risk.

Joint Council Committee Administrative Arrangements

Administrative arrangements of the Joint Council Committee are integrated with those of Lisburn City Council, as the Lead Administrative Council for the Joint Council Committee. The procedures, controls and authority levels as documented in the **Standing Orders of Lisburn City Council** and the Councils Accounting Manual are adopted.

The functions of the audit committee are undertaken by Lisburn City Council's Corporate Services Committee who from 2011/12 are planning to receive:

- a) A progress report from the Head of Audit on a quarterly basis;
- b) The yearly audit plan (at the commencement of the year)
- c) The Head of Audit's Annual report (including Summary of audit opinions which forms part of the overall assurance provided to the Chief Executive (in his capacity as Chief Financial Officer))

Lisburn City Council as the Lead Administrative Council for the Joint Council Committee has approved and adopted a code of corporate governance, which is consistent with the principles of the CIPFA/SOLACE Framework Delivering Good Governance in Local Government.

The Purpose of the Governance Framework

The governance framework of Lisburn City Council as Lead Administrative Council comprises the systems and processes, and culture and values by which the Joint Council Committee is directed and controlled and its activities through which it accounts to, engages with and leads the community. It enables the Joint Council Committee 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 is a significant part of that framework and is designed to manage risk to a reasonable level. It cannot eliminate all risk of failure to achieve policies, aims and objectives and can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the Joint Council Committee'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 for the year ended 31 March 2011 and up to the date of approval of the statement of accounts.

LAGAN RURAL PARTNERSHIP JOINT COUNCIL COMMITTEE
Financial Statements
For the year ending 31 March 2011

The Governance Framework

The following are the key elements of the systems and processes that comprise Lisburn City Councils governance arrangements as Lead Administrative Council to the Joint Council Committee :

- Identifying and communicating the Joint Council Committee's vision of its purpose and intended outcomes for citizens and service users by the development of marketing & promotional literature, the development of a standalone website and attendance at key stakeholder events.
- Adhering to the key targets outlined in the Local Action Group's Rural Development Strategy for the duration of the NIRDP Rural Development Programme 2007 – 2013.
- Reviewing the Joint Council Committee's vision and its implications for the Joint Council Committee's governance arrangements within the Cluster area and Northern Ireland wide through engagement with other Joint Council Committees and relevant government bodies..
- Measuring the quality of services for users, for ensuring they are delivered in accordance with the Joint Council Committee's objectives and for ensuring that they represent the best use of resources. This will include benchmarking performance indicators against the programme administration plan and the performance of other Joint Council Committees, the provision of monthly project /administration spend updates and the development of processes and procedures to deal with application appeals and complaints.
- Defining and documenting the roles and responsibilities of the Joint Council Committee, Local Action Group and officer functions in terms of application assessment and approval, with clear delegation arrangements and protocols for effective communication. This will include the scheduling of monthly Local Action Group meetings and Joint Council Committee meetings and circulation of minutes/decisions made of the same.
- Developing, communicating and embedding codes of conduct, defining the standards of behaviour for members and staff.
- Reviewing and updating standing orders, standing financial instructions, a scheme of delegation and supporting procedure notes/manuals, which clearly define how decisions are taken and the processes and controls required to manage risks.
- Ensuring the Joint Council Committee's financial management arrangements conform with the governance requirements of the CIPFA Statement on The Role of the Chief Financial Officer in Local Government (2010).
- Undertaking the core functions of an audit committee, as identified in CIPFA's Audit Committee – Practical Guidance for Local Authorities.
- Ensuring compliance with relevant laws and regulations, internal policies and procedures, and that expenditure is lawful.
- Whistle blowing and for receiving and investigating complaints from the Public.
- Identifying the development needs of members and senior officers in relation to their strategic roles, supported by appropriate training.

LAGAN RURAL PARTNERSHIP JOINT COUNCIL COMMITTEE

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For the year ending 31 March 2011

- Establishing clear channels of communication with all sections of the community and other stakeholders, ensuring accountability and encouraging open consultation.
- Incorporating good governance arrangements in respect of partnerships and other group working as identified by the Audit Commission's report on the governance of partnerships, and reflecting these in the Joint Committee's overall governance arrangements.

Review of Effectiveness

Lisburn City Council as the Lead Administrative Council for the Joint Council Committee has responsibility for conducting, at least annually, a review of the effectiveness of its governance framework including the system of internal control. The review of effectiveness is informed by the work of the executive managers within the Lead Administrative Council who have responsibility for the development and maintenance of the governance environment, the Head of Internal Audit's annual report, and also by comments made by the external auditors and other review agencies and inspectorates.

The following parties will be responsible for reviewing the effectiveness of the governance framework:

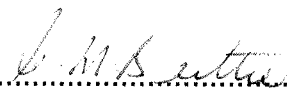
- a) All Line Managers associated with the delivery of the Rural Development Programme are required to sign an Assurance Declaration which ultimately passes up the line to the Chief Executive who is required to sign the overall Council Governance Statement (also signed by the Chair of the Corporate Services Committee).
- b) Internal Audit – The main role of Internal Audit is to provide an independent and objective opinion on risk management, control and governance by measuring and evaluating their effectiveness in achieving the Joint Council Committee's agreed objectives.

Significant Governance Issues

It is planned for internal audit to continue to review these systems in the period 2011/12.

I am satisfied that these steps will address the need for improvements that were identified in our review of effectiveness and will monitor their implementation and operation as part of our next annual review.

Signed  Date 28 June 2011.....

Signed  Date 28 June 2011.....
Chairman of Joint Committee


LAGAN RURAL PARTNERSHIP JOINT COUNCIL COMMITTEE
Financial Statements
For the year ending 31 March 2011

Certificate of the Chief Financial Officer

I certify that:-

(a) the Statement of Accounts for the period ended 31 March 2011 on pages 12 to 29 has been prepared in the form directed by the Department of the Environment and under the accounting policies set out on pages 16-19.

(b) in my opinion the Statement of Accounts give a true and fair view of the income and expenditure for the financial period and the financial position as at the end of the financial year.

Signature..........


Norman Davidson
Chief Financial Officer

Date....28 June 2011...

Joint Committee Approval of Statement of Accounts

These accounts were approved by resolution of the Joint Council Committee

on Tuesday 28 June 2011.

Signature..........

Chairman of Joint Council Committee

Date.....28 June 2011.....

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LAGAN RURAL PARTNERSHIP JOINT COMMITTEE

I have audited the statement of accounts of Lagan Rural Partnership Joint Committee for the year ended 31st March 2011 under the Local Government (Northern Ireland) Order 2005. The statement of accounts comprises the Movement in Reserves Statement, Comprehensive Income and Expenditure Statement, Balance Sheet, Cash Flow Statement and related notes. The statement of accounts has been prepared under the accounting policies set out within them.

This report is made solely to the Members of Lagan Rural Partnership Joint Committee in accordance with the Local Government (Northern Ireland) Order 2005 and for no other purpose, as specified in the Statement of Responsibilities issued by the Chief Local Government Auditor.

Respective responsibilities of the Chief Financial Officer and the independent auditor

As explained more fully in the Statement of the Joint Committee's and Chief Financial Officer's Responsibilities, the Chief Financial Officer is responsible for the preparation of the statement of accounts and for being satisfied that it gives 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. My responsibility is to audit the statement of accounts in accordance with the Local Government (Northern Ireland) Order 2005 and the Local Government Code of Audit Practice issued by the Chief Local Government Auditor. I conducted my audit in accordance with International Standards on Auditing (UK and Ireland). Those standards require me and my staff to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the statement of accounts

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the statement of accounts are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Lagan Rural Partnership Joint Committee's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Lagan Rural Partnership Joint Committee; and the overall presentation of the statement of accounts. In addition I read all the financial and non financial information in the Foreword to identify material inconsistencies with the audited statement of accounts. If I become aware of any apparent material misstatements or inconsistencies I consider the implications for my report.

Opinion

In my opinion the statement of accounts gives a true and fair view, in accordance with relevant legal and regulatory requirements and the Code of Practice on Local Authority Accounting in the United Kingdom 2010-11, the financial position of Lagan Rural Partnership Joint Committee as at 31st March 2011 and its income and expenditure for the year then ended.

Matters on which I report by exception

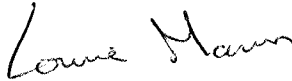
I have nothing to report in respect of the following matters which I report to you if, in my opinion:

- the Annual Governance statement:

- does not reflect compliance with the Code of Practice on Local Authority Accounting in the United Kingdom 2010-11,
 - does not comply with proper practices specified by the Department of the Environment,
 - is misleading or inconsistent with other information I am aware of from my audit, or
- adequate accounting records have not been kept; or
 - the statement of accounts is not in agreement with the accounting records; or
 - I have not received all of the information and explanations I require for my audit.

Certificate

I certify that I have completed the audit of the accounts of Lagan Rural Partnership Joint Committee in accordance with the requirements of the Local Government (Northern Ireland) Order 2005 and the Local Government Code of Audit Practice issued by the Chief Local Government Auditor.



Louise Mason

*Local Government Auditor
Northern Ireland Audit Office
106 University Street
Belfast
BT7 1EU*

28 October 2011

LAGAN RURAL PARTNERSHIP JOINT COUNCIL COMMITTEE
Movement in Reserves Statement
for the year ended 31 March 2011

This Statement shows the movement in the year on the different reserves held by the Joint Committee, analysed into 'usable reserves' (i.e. those that can be applied to fund expenditure) and other reserves. The 'Surplus or (deficit) on the provision of services' line shows the true economic cost of providing the Joint Committee's services, more details of which are shown in Comprehensive Income and Expenditure Statement. The 'Net increase /Decrease before transfers to earmarked reserves' line shows the Comprehensive Income and Expenditure Statement Balance before any discretionary transfers to or from statutory and other reserves undertaken by the Joint Committee.

	General Reserves	Statutory Reserves	Other Fund Balances & Reserves	Capital Receipts Reserve	Total Usable Reserves	Total Unusable Reserves	Total Joint Committee Reserves
	£	£	£	£	£	£	£
At 1 April 2009							
Movement in reserves during the year							
Surplus or (deficit) on the provision of services	0	0	0	0	0	0	0
Other Comprehensive Income and Expenditure	(15,481)	0	0	0	(15,481)	0	(15,481)
Total Comprehensive Income and Expenditure	(15,481)	0	0	0	(15,481)	0	0
Adjustments between accounting basis & funding basis under regulations	0	0	0	0	0	0	(15,481)
Net Increase/Decrease before Transfers to Earmarked Reserves	(15,481)	0	0	0	(15,481)	0	(15,481)
Transfers to/from earmarked reserves	0	0	0	0	0	0	0
Increase/Decrease in Year	(15,481)	0	0	0	(15,481)	0	(15,481)
At 31 March 2010							
Movement in reserves during the year							
Surplus or (deficit) on provision of services	(718)	0	0	0	(718)	0	(718)
Other Comprehensive Income and Expenditure	0	0	0	0	0	0	0
Total Comprehensive Income and Expenditure	(718)	0	0	0	(718)	0	(718)
Adjustments between accounting basis & funding basis under regulations	0	0	0	0	0	0	0
Net Increase/Decrease before Transfers to Earmarked Reserves	(718)	0	0	0	(718)	0	(718)
Transfers to/from earmarked reserves	0	0	0	0	0	0	0
Increase/Decrease in Year	(718)	0	0	0	(718)	0	(718)
At 31 March 2011	(16,199)	0	0	0	(16,199)	0	(16,199)

Comprehensive Income and Expenditure Statement for the year ended 31 March 2011

This statement shows the income earned and expenditure incurred during the year by the Joint Committee in accordance with generally accepted accounting practices.

	Notes	2010/11 £	2009/10 £
INCOME			
Participating Councils		0	0
Government Grant	5	223,603	282,725
TOTAL INCOME		223,603	282,725
EXPENDITURE			
Employee Costs	4	166,248	166,338
Other Costs		58,073	131,868
TOTAL EXPENDITURE		224,321	298,206
SURPLUS / (DEFICIT) ON CONTINUING OPERATIONS		(718)	(15,481)
TOTAL COMPREHENSIVE INCOME AND EXPENDITURE		(718)	(15,481)

LAGAN RURAL PARTNERSHIP JOINT COUNCIL
COMMITTEE
Balance Sheet As At 31 March 2011

The Balance Sheet shows the value as at the Balance Sheet date of the Joint Committee's assets and liabilities. The net assets of the Joint Committee (assets less liabilities) are matched by the reserves held by the Joint Committee. Reserves are reported in two categories. The first category of reserves are usable reserves, i.e. those reserves that the Joint Committee may use to provide services, subject to the need to maintain a prudent level of reserves and any statutory limitations on their use (for example the Capital Receipts Reserve that may only be used to fund capital expenditure or repay debt). The second category of reserves are those that the Joint Committee is not able to use to provide services. This category of reserves includes reserves that hold unrealised gains and losses (for example the Revaluation Reserve), where amounts would only become available to provide services if the assets are sold; and reserves that hold timing differences shown in the Movement in Reserves Statement line 'Adjustments between accounting basis and funding basis under regulations'.

	Notes	2010/11 £	2009/10 £	2008/09 £
LONG TERM ASSETS		0	0	0
Short Term Debtors	6	68,852	110,786	0
CURRENT ASSETS		68,852	110,786	0
Short Term Creditors	7	85,051	126,267	0
CURRENT LIABILITIES		85,051	126,267	0
NET ASSETS		(16,199)	(15,481)	0
USABLE RESERVES	9	(16,199)	(15,481)	0
NET WORTH		(16,199)	(15,481)	0

LAGAN RURAL PARTNERSHIP JOINT COUNCIL COMMITTEE
Cash Flow Statement at 31 March 2011
for the year ended 31 March 2011

The Cash Flow Statement shows the changes in cash and cash equivalents of the Joint Committee during the reporting period. The statement shows how the Joint Committee generates and uses cash and cash equivalents by classifying cash flows as operating, investing and financing activities. The amount of net cash flows arising from operating activities is a key indicator of the extent to which the operations of the Joint Committee are funded by way of grant income and Council contributions, or from the recipients of services provided by the Joint Committee. Investing activities represent the extent to which cash outflows have been made for resources which are intended to contribute to the Joint Committee's future service delivery. Cash flows arising from financing activities are useful in predicting claims on future cash flows by providers of capital (i.e. borrowing) to the Joint Committee. The Joint Committee reports cash flows from operating activities using the indirect method, whereby the net Surplus or Deficit on the Provision of Services is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments, and items of revenue or expense associated with investing or financing cash flows.

	Notes	2010/11 £	2009/10 £
Net surplus / (deficit) on the provision of services		(718)	(15,481)
Adjustment to surplus or deficit on the provision of services for noncash movements	8a	718	15,481
Adjust for items included in the net surplus or deficit on the provision of services that are investing and financing activities		0	0
		<hr/>	<hr/>
Net cash flows from operating activities		0	0
Net Cash flows from Investing Activities		0	0
Net Cash flows from Financing Activities		0	0
Net increase or decrease in cash and cash equivalents		0	0
Cash and cash equivalents at the beginning of the reporting period		0	0
Cash and cash equivalents at the end of the reporting period		<hr/> 0 <hr/>	<hr/> 0 <hr/>

LAGAN RURAL PARTNERSHIP JOINT COUNCIL COMMITTEE

Notes to the Financial Statements

for the year ended 31 March 2011

1A Accounting Policies

General Principles

The Statement of Accounts summarises the Joint Committee's transactions for the 2010/11 financial year and its position at the year-end of 31 March 2011. The Joint Committee is required to prepare an annual Statement of Accounts in a form directed by the Department of the Environment in accordance with regulations 4 (1) and (2) in the Local Government (Accounts and Audit) Regulations (Northern Ireland) 2006 in accordance with proper accounting practices. These practices primarily comprise the Code of Practice on Local Authority Accounting in the United Kingdom 2010/11 and the Best Value Accounting Code of Practice 2010/11, supported by International Financial Reporting Standards (IFRS). The accounting convention adopted in the Statement of Accounts is principally historical cost, modified by the revaluation of certain categories of non-current assets and financial instruments. The Code of Practice on Local Authority Accounting in the United Kingdom 2010/11 also requires disclosure in respect of:

Summary of Significant Accounting Policies

i) Accruals of Income and Expenditure

- Revenue from the sale of goods is recognised when the Joint Committee transfers the significant risks and rewards of ownership to the purchaser and it is probable that economic benefits or service potential associated with the transaction will flow to the Joint Committee.
- Revenue from the provision of services is recognised when the Joint Committee can measure reliably the percentage of completion of the transaction and it is probable that economic benefits or service potential associated with the transaction will flow to the Joint Committee.
- Supplies are recorded as expenditure when they are consumed – where there is a gap between the date supplies are received and their consumption, they are carried as inventories on the Balance Sheet.
- Expenses in relation to services received (including services provided by employees) are recorded as expenditure when the services are received rather than when payments are made.
- Interest payable on borrowings and receivable on investments is accounted for on the basis of the effective interest rate for the relevant financial instrument rather than the cash flows fixed or determined by the contract.
- Where revenue and expenditure have been recognised but cash has not been received or paid, a debtor or creditor for the relevant amount is recorded in the Balance Sheet. Where it is doubtful that debts will be settled, the balance of debtors is written down and a charge made to revenue for the income that might not be collected.

ii) Employee Benefits

Short-term employee benefits payable during employment, such as wages and salaries, paid annual leave and paid sick leave, bonuses and non-monetary benefits (e.g. cars) for current employees, are recognised as an expense in the year in which employees render service to the Joint Committee. An accrual is made for the cost of holiday entitlements earned by employees but not taken before the year-end and which employees can carry forward into the next financial year.

Termination benefits

Termination benefits are amounts payable as a result of a decision by the Joint Committee to terminate an officer's employment before the normal retirement date or an officer's decision to accept voluntary redundancy and are charged on an accruals basis in the Comprehensive Income and Expenditure Statement when the Joint Committee is demonstrably committed to the termination of the employment of an officer or group of officers.

Where termination benefits involve the enhancement of pensions, statutory provisions require the General Reserves balance to be charged with the amount payable by the Joint Committee to the pension fund or pensioner in the year, not the amount calculated according to the relevant accounting standards. In the Movement in Reserves Statement, appropriations are required to and from the Pensions Reserve to remove the notional debits and credits for pension enhancement termination benefits and replace them with debits for the cash paid to the pension fund and pensioners and any such amounts payable but unpaid at the year-end.

Post Employment Benefits

Employees of the Joint Committee are members of the Northern Ireland Local government Officers Scheme (NILGOSC) by virtue of their employment by Lisburn City Council as lead council of the project. The scheme provides defined benefits to members (retirement lump sums and pensions), earned as employees worked for Lisburn City Council.

NILGOSC

The NILGOSC is accounted for as a defined benefits scheme.

The assets and liabilities of NILGOSC attributable to the Joint Committee are included in the Balance Sheet of Lisburn City Council. No assets nor liabilities are recognised in the accounts for Lagan Rural Partnership Joint Council Committee.

iii) Events After the Balance Sheet Date

Events after the balance sheet date are those events, both favourable and unfavourable, that occur between the end of the reporting period and the date when the Statement of Accounts is authorised for issue. Two types of events can be identified:

- those that provide evidence of conditions that existed at the end of the reporting period – the Statement of Accounts is adjusted to reflect such events

- those that are indicative of conditions that arose after the reporting period – the Statement of Accounts is not adjusted to reflect such events, but where a category of events would have a material effect disclosure is made in the notes of the nature of the events and their estimated financial effect.

The financial statements may subsequently be adjusted up to the date when they are authorised for issue. This date will be recorded on the financial statements and is usually the date the Local Government Auditor issues his certificate and opinion. Where material adjustments are made in this period they will be disclosed.

Events taking place after the date of authorisation for issue are not reflected in the Statement of Accounts.

iv) Exceptional Items

When items of income and expense are material, their nature and amount is disclosed separately, either on the face of the Comprehensive Income and Expenditure Statement or in the notes to the accounts, depending on how significant the items are to an understanding of the Joint Committee's financial performance.

v) Prior Period Adjustments, Changes in Accounting Policies and Estimates and Errors (L)

Prior period adjustments may arise as a result of a change in accounting policies or to correct a material error. Changes in accounting estimates are accounted for prospectively, i.e., in the current and future years affected by the change and do not give rise to a prior period adjustment.

Changes in accounting policies are only made when required by proper accounting practices or the change provides more reliable or relevant information about the effect of transactions, other events and conditions on the Joint Committee's financial position or financial performance. Where a change is made, it is applied retrospectively by adjusting opening balances and comparative amounts for the prior period as if the new policy had always been applied.

Material errors discovered in prior period figures are corrected retrospectively by amending opening balances and comparative amounts for the prior period.

vi) Government Grants and Contributions

Whether paid on account, by instalments or in arrears, government grants and Council contributions and donations are recognised as due to the Joint Committee when there is reasonable assurance that:

- the Joint Committee will comply with the conditions attached to the payments, and
- the grants or contributions will be received.

Amounts recognised as due are not credited to the Comprehensive Income and Expenditure Statement until conditions attaching to the grant or contribution have been satisfied. Conditions are stipulations that specify that the future economic benefits or service potential embodied in the asset acquired using the grant or contribution are required to be consumed by the recipient as specified or future economic benefits or service potential must be returned to the transferor.

Monies advanced as grants and contributions for which conditions have not been satisfied are carried in the Balance Sheet as creditors. When conditions are satisfied, the grant or contribution is credited to Government Grants in the Comprehensive Income and Expenditure Statement.

Where capital grants are credited to the Comprehensive Income and Expenditure Statement, they are reversed out of the General Reserves Balance in the Movement in Reserves Statement. Where the grant has yet to be used to finance capital expenditure, it is posted to the Capital Grants Unapplied Reserve. Where it has been applied, it is posted to the Capital Adjustment Account. Amounts in the Capital Grants Unapplied Reserve are transferred to the Capital Adjustment Account once they have been applied to fund capital expenditure.

vii) Overheads and Support Services

The costs of overheads and support services are charged to those that benefit from the supply or service in accordance with the costing principles of the CIPFA *Best Value Accounting Code of Practice 2010/11* (BVACOP). The total absorption costing principle is used – the full cost of overheads and support services are shared between users in proportion to the benefits received.

viii) Reserves

The Joint Committee sets aside specific amounts as reserves for future policy purposes or to cover contingencies. Reserves are created by appropriating amounts out of the General Reserves Balance in the Movement in Reserves Statement. When expenditure to be financed from a reserve is incurred, it is charged against the Surplus or Deficit on the Provision of Services in the Comprehensive Income and Expenditure Statement. The reserve is then appropriated back into the General Reserves Balance in the Movement in Reserves Statement so that there is no net charge against General Reserves for the expenditure.

Certain reserves are kept to manage the accounting processes for non-current assets, financial instruments and retirement benefits and do not represent usable resources for the Joint Committee – these reserves are explained in the relevant note to the accounts.

ix) Value Added Tax

All expenditure and income, irrespective of whether it is revenue or capital in nature, is shown net of Value Added Tax, unless it is irrecoverable.

**LAGAN RURAL PARTNERSHIP
JOINT COUNCIL COMMITTEE
Notes to the Financial Statements
FOR THE YEAR ENDED 31 MARCH 2011**

2a Segmental Reporting Analysis - Current Year

In accordance with the Code of Practice on Local Authority Accounting, the Comprehensive Income and Expenditure Statement should be supported by information on individual reportable segments presented within the notes. Reportable segments are based on the Joint Committee's internal management reporting, for example departments, directorates or portfolios.

For each reportable segment, an analysis of the income and expenditure for that segment (ie a subjective analysis) is presented, to include those items of income and expenditure that are reported as part of internal management reporting. This analysis may include items that do not form part of the Comprehensive Income and Expenditure Statement (for example, that statutory provision for the repayment of debt) and exclude items that do form part of the Comprehensive Income and Expenditure Statement (for example, depreciation).

Segmental Analysis

Income/Expenditure	2010/11			
	Promoter	Admin	Segment 3	Total
	£	£	£	£
Income from participating Councils	0	0	0	0
Government grants and contributions	0	223,603	0	223,603
Fees, charges and other service income	0	0	0	0
Interest and investment income	0	0	0	0
Surplus or deficit on associates and joint ventures	0	0	0	0
Total Income	0	223,603	0	223,603
Employee expenses	0	166,248	0	166,248
Other service expenses	0	58,073	0	58,073
Support service recharges	0	0	0	0
Depreciation, amortisation and impairment	0	0	0	0
Interest payments	0	0	0	0
Total Expenditure	0	224,321	0	224,321
Other items	0	0	0	0
CONTINUING OPERATIONS	0	(718)	0	(718)

Reconciliation to Surplus / (Deficit) on the Provision of Services in the Comprehensive Income and Expenditure Statement

This reconciliation shows how the figures in the analysis of segmental income and expenditure relate to the amounts included in the Comprehensive Income and Expenditure Statement

	£	£
Net Income/(Expenditure) in Segmental Analysis		(718)
Items excluded from Segmental Analysis:		
Add amounts not reported in Segmental Analysis but included in Surplus/(Deficit) on Continuing Operations in the Comprehensive Income and Expenditure Statement	0	
Remove amounts reported in Segmental Analysis but not included in Surplus/(Deficit) on Continuing Operations in the Comprehensive Income and Expenditure Statement	0	
		<u>0</u>
Surplus / (Deficit) on Continuing Operations in Comprehensive Income and Expenditure Statement		(718)
Items included in Surplus / (Deficit) on Provision of Services excluded from Segmental Analysis:		
Surplus or Deficit on Discontinued Operations		0
Surplus/(Deficit) for the year per Comprehensive Income and Expenditure Statement		(718)

**LAGAN RURAL PARTNERSHIP
JOINT COUNCIL COMMITTEE
Notes to the Financial Statements
FOR THE YEAR ENDED 31 MARCH 2011**

2b Segmental Reporting Analysis - Comparative Year

In accordance with the Code of Practice on Local Authority Accounting, the Comprehensive Income and Expenditure Statement should be supported by information on individual reportable segments presented within the notes. Reportable segments are based on the Joint Committee's internal management reporting, for example departments, directorates or portfolios. For each reportable segment, an analysis of the income and expenditure for that segment (ie a subjective analysis) is presented, to include those items of income and expenditure that are reported as part of internal management reporting. This analysis may include items that do not form part of the Comprehensive Income and Expenditure Statement (for example, that statutory provision for the repayment of debt) and exclude items that do form part of the Comprehensive Income and Expenditure Statement (for example, depreciation).

Segmental Analysis

Income/Expenditure	2009/10			
	Promoter	Admin	Segment 3	Total
	£	£	£	£
Income from participating Councils	0	0	0	0
Government grants and contributions	0	282,725	0	282,725
Fees, charges and other service income	0	0	0	0
Interest and investment income	0	0	0	0
Surplus or deficit on associates and joint ventu	0	0	0	0
Total Income	0	282,725	0	282,725
Employee expenses	0	166,338	0	166,338
Other service expenses	0	131,868	0	131,868
Support service recharges	0	0	0	0
Depreciation, amortisation and impairment	0	0	0	0
Interest payments	0	0	0	0
Total Expenditure	0	298,206	0	298,206
Other items	0	0	0	0
CONTINUING OPERATIONS	0	(15,481)	0	(15,481)

Reconciliation to Surplus / (Deficit) on the Provision of Services in the Comprehensive Income and Expenditure Statement

This reconciliation shows how the figures in the analysis of segmental income and expenditure relate to the amounts included in the Comprehensive Income and Expenditure Statement

	£	£
Net Income/(Expenditure) in Segmental Analysis		(15,481)
<i>Items excluded from Segmental Analysis:</i>		
Add amounts not reported in Segmental Analysis but included in Surplus/(Deficit) on Continuing Operations in the Comprehensive Income and Expenditure Statement	0	
Remove amounts reported in Segmental Analysis but not included in Surplus/(Deficit) on Continuing Operations in the Comprehensive Income and Expenditure Statement	0	
		0
Surplus / (Deficit) on Continuing Operations in Comprehensive Income and Expenditure Statement		(15,481)
<i>Items included in Surplus / (Deficit) on Provision of Services excluded from Segmental Analysis:</i>		
Surplus or Deficit on Discontinued Operations		0
Surplus/(Deficit) for the year per Comprehensive Income and Expenditure Statement		(15,481)

LAGAN RURAL PARTNERSHIP JOINT COUNCIL COMMITTEE
Notes to the Financial Statements
FOR THE YEAR ENDED 31 MARCH 2011

Operating Income and Expenditure

3 External Audit Fees

The Joint Committee has incurred the following costs relating to the annual audit of the Statement of Accounts, certification of grant claims and other services provided by the Joint Committee's external auditors.

	2010/11	2009/10
	£	£
External Audit Fees	3,091	3,000
Grant Claim Certification Fees	0	0
Other Fees	0	0
	<u>3,091</u>	<u>3,000</u>

There were no other fees payable in respect of any other services provided by the appointed auditor over and above those described above (2009/10 £NIL).

LAGAN RURAL PARTNERSHIP JOINT COUNCIL COMMITTEE
Notes to the Financial Statements
FOR THE YEAR ENDED 31 MARCH 2011

Operating Income and Expenditure (Continued)

4 Employee Costs and Members' Allowances

4a Staff Costs

	2010/11	2009/10
	£	£
Salaries and wages	120,996	134,934
Employers National Insurance	9,517	11,687
Employers pension costs	20,011	19,717
	<u>150,524</u>	<u>166,338</u>

In addition, agency costs during the year amounted to £15,724 (2009/10 £nil) resulting in total employee costs for the year of £166,248.

Lisburn City Council employed a total of 6 employees to work exclusively on the Joint Council Committee project during the year (2009/10 7).

The current contribution rate to the NILGOSC is 17%. At the last actuarial valuation, dated 31 March 2010, the Fund's assets as a whole were sufficient to meet 82% (2004: 89%) of the liabilities accrued up to that date.

4b Average Number of Employees - where FTE represents fulltime equivalent employees

	2010/11	2009/10
	FTE	FTE
Other	6	7
	<u>6</u>	<u>7</u>

Actual Numbers Actual Numbers

Full-time numbers employed	6	7
	<u>6</u>	<u>7</u>

4c Members' Allowances

During the year Members' allowances (paid under Sections 12 and 36 of the Local Government Act (NI) 1972), including Employer's costs, totalled £388 (2009/10 £nil) and are as follows:

	2010/11	2009/10
	£	£
Basic allowance	0	0
Dependents' carers allowance	0	0
Employer costs	0	0
Conferences and Courses	0	0
Travel Costs	388	0
	<u>388</u>	<u>0</u>

LAGAN RURAL PARTNERSHIP JOINT COUNCIL COMMITTEE
Notes to the Financial Statements
FOR THE YEAR ENDED 31 MARCH 2011

5 Government Grants

	2010/11	2009/10
	£	£
Revenue Grants	223,603	282,725
Capital Grants and Contributions	0	0
Government Grants	223,603	282,725

LAGAN RURAL PARTNERSHIP JOINT COUNCIL COMMITTEE
Notes to the Financial Statements
FOR THE YEAR ENDED 31 MARCH 2011

6 Debtors

	2010/11	2009/10	2008/09
	£	£	£
14a) Long Term Debtors			
Total Long-Term Debtors	0	0	0
14b) Short Term Debtors			
*Government Departments	68,852	110,786	0
Total Short-Term Debtors	<u>68,852</u>	<u>110,786</u>	<u>0</u>
Total Debtors	<u>68,852</u>	<u>110,786</u>	<u>0</u>

LAGAN RURAL PARTNERSHIP JOINT COUNCIL COMMITTEE
Notes to the Financial Statements
FOR THE YEAR ENDED 31 MARCH 2011

7a Short Term Creditors

	2010/11	2009/10	2008/09
	£	£	£
Government Departments	0	0	0
Councils	82,051	123,267	0
Public corporations and trading funds	0	0	0
Remuneration due to employees	0	0	0
Accumulated Absences	0	0	0
Receipts in advance	0	0	0
Trade creditors	0	0	0
Other	3,000	3,000	0
Total Short Term Creditors	85,051	126,267	0

7b Long Term Creditors

	2010/11	2009/10	2008/09
	£	£	£
Other creditors falling due after more than one year			
Government Departments	0	0	0
Councils	0	0	0
Public corporations and trading funds	0	0	0
Other	0	0	0
Total Long Term Creditors	0	0	0
Total Creditors	85,051	126,267	0

LAGAN RURAL PARTNERSHIP JOINT
 COUNCIL COMMITTEE
 Notes to the Financial Statements
 FOR THE YEAR ENDED 31 MARCH 2011
**8 Analysis of Adjustments to Surplus/Deficit
 for the year**

	2010/11	2009/10
	£	£
Adjustment to surplus or deficit for noncash movements		
(Increase)/Decrease in Debtors	41,934	(110,786)
Increase/(decrease) in impairment provision for bad debts	0	0
Increase/(Decrease) in Creditors	(41,216)	126,267
Increase/(Decrease) in Interest Creditors	0	0
	<u>718</u>	<u>15,481</u>
Adjust for items included in the net surplus or deficit that are investing and financing activities		
Purchase of short-term (not considered to be cash equivalents) and long-term investments (includes investments in associates, joint ventures and subsidiaries)	0	0
Proceeds from short-term (not considered to be cash equivalents) and long-term investments (includes investments in associates, joint ventures and subsidiaries)	0	0
Proceeds from the sale of PP&E, investment property and intangible assets	0	0
Capital grants included in "Government Grant" income	0	0
	<u>0</u>	<u>0</u>

LAGAN RURAL PATNERSHIP JOINT COUNCIL COMMITTEE
Notes to the Financial Statements
FOR THE YEAR ENDED 31 MARCH 2011

9a) Analysis of Movement on Reserves - Current Year

	USABLE RESERVES	TOTAL USABLE RESERVES	TOTAL UNUSABLE RESERVES	TOTAL JOINT COMMITTEE RESERVES
	£	£	£	£
At 1 April 2010	(15,481)	(15,481)	0	(15,481)
Movements during the year:				
Applied Capital Grants	0	0	0	0
Unapplied Capital Grants received in year	0	0	0	0
Unapplied Capital Grants transferred to CAA in year	0	0	0	0
Direct Revenue Financing	0	0	0	0
Depreciation & impairment adjustment	0	0	0	0
Loans/lease principal repayments	0	0	0	0
Net Revenue expenditure funded from capital under statute	0	0	0	0
Surplus/(Deficit) on the Provision of Services	(718)	(718)	0	(718)
Transfers between Earmarked Reserves and General Reserves	0	0	0	0
Net movements on Pension Reserve	0	0	0	0
Disposal of Fixed Assets/Capital Sales	0	0	0	0
Capital Receipts used to finance capital expenditure	0	0	0	0
Difference between finance and other costs and income calculated on an accounting basis and finance costs calculated in accordance with statutory requirements	0	0	0	0
Revaluation	0	0	0	0
Other Movements	0	0	0	0
Transfers between Capital Fund/Renewal & Repair Fund & CAA to finance capital expenditure	0	0	0	0
Total movements on reserves during the year (Change in Net Worth)	(718)	(718)	0	(718)
At 31 March 2011	(16,199)	(16,199)	0	(16,199)

LAGAN RURAL PATNERSHIP JOINT COUNCIL COMMITTEE
Notes to the Financial Statements
FOR THE YEAR ENDED 31 MARCH 2011

9b) Analysis of Movement on Reserves - Comparative Year

	USABLE GENERAL RESERVES	TOTAL USABLE RESERVES	TOTAL UNUSABLE RESERVES	TOTAL JOINT COMMITTEE RESERVES
At 1 April 2009	£ 0	£ 0	£ 0	£ 0
Movements during the year:				
Applied Capital Grants	0	0	0	0
Unapplied Capital Grants received in year	0	0	0	0
Unapplied Capital Grants transferred to CAA in year	0	0	0	0
Direct Revenue Financing	0	0	0	0
Depreciation & impairment adjustment	0	0	0	0
Loans/lease principal repayments	0	0	0	0
Net Revenue expenditure funded from capital under statute	0	0	0	0
Surplus/(Deficit) on the Provision of Services	(15,481)	(15,481)	0	(15,481)
Transfers between Earmarked Reserves and General Reserves	0	0	0	0
Net movements on Pension Reserve	0	0	0	0
Disposal of Fixed Assets/Capital Sales	0	0	0	0
Capital Receipts used to finance capital expenditure	0	0	0	0
Difference between finance and other costs and income calculated on an accounting basis and finance costs calculated in accordance with statutory requirements	0	0	0	0
Revaluation	0	0	0	0
Other Movements	0	0	0	0
Transfers between Capital Fund/Renewal & Repair Fund & CAA to finance capital expenditure	0	0	0	0
Total movements on reserves during the year (Change in Net Worth)	(15,481)	(15,481)	0	(15,481)
At 31 March 2010	(15,481)	(15,481)	0	(15,481)

**LAGAN RURAL PARTNERSHIP JOINT COUNCIL COMMITTEE
Financial Statements
FOR THE YEAR ENDED 31 MARCH 2011**

Accounts Authorised for the Issue Certificate

In accordance with International Accounting Standard 10, Events after the Balance Sheet Date (IAS 10) this Statement of Accounts which contains a number of minor amendments from the Accounts approved on 28 June 2011 are at today's date hereby authorised for issue.

IAS 10 sets out

- The period during which an entity should adjust its financial statements for events after the balance sheet date as being the period between the date the financial statements were prepared and the date of this authorisation; and
- In the event of adjustments the disclosures that should be made.

Signed


.....
Chief Financial Officer

Date

26 October 2011
.....

Note: The actual certificate to be completed will be issued by the auditor.