

ANNUAL RETURNS TO THE CERTIFICATION OFFICER

Industrial Relations (Northern Ireland) Order 1992 (as amended)

FORM AR(NI)27 - ANNUAL RETURN FOR AN EMPLOYERS' ASSOCIATION

Name of Association:	Northern Ireland Local Government Association
Financial Year End:	31 st March 2016
Ref No:	

Head or Main Office:	Bradford Court Upper Galwally Castlereagh BT8 6RB
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Has the address changed during the year to which the return relates?

Yes <input type="checkbox"/>	No <input type="checkbox"/> <i>(Tick as appropriate)</i>
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Secretary: CHIEF EXECUTIVE

DEREK MCCALLAN

Telephone Number and e-mail address:

028 9079 8972 d.mccallan@nilga.org

Contact name for queries regarding the completion of this return:

DIANE ANDERSON

Telephone Number and e-mail address:

028 9079 8972 d.anderson@nilga.org

Every employers' association having its head or main office outside Northern Ireland has a statutory obligation to provide the Certification Officer with names and addresses of one or more persons resident in Northern Ireland authorised to accept on its behalf service of process and any notices required to be served on it. The Certification Officer has no authority to waive this provision.

NAME OF AUTHORISED PERSON:

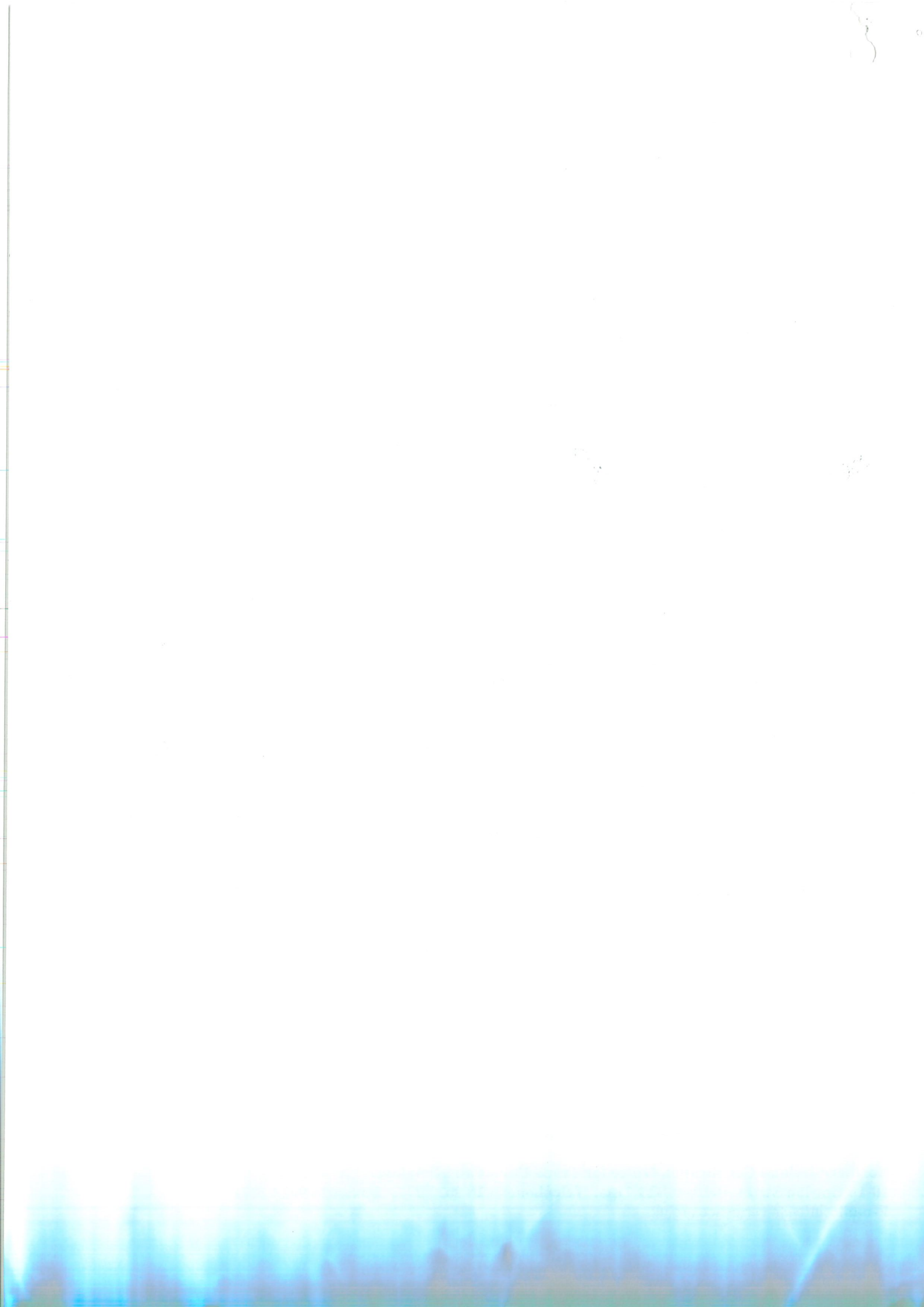
NORTHERN IRELAND ADDRESS:

(a) _____

(b) _____

The address to which enquiries, returns and other documents should be sent is:

Northern Ireland Certification Office for Trade Unions and Employers' Associations
 10-16 Gordon Street, Belfast BT1 2LG. Telephone: 028 9023 7773 Fax: 028 9023 2271
 E-mail: info@nicertoffice.org.uk



EVERY EMPLOYERS' ASSOCIATION WITH MEMBERS IN NORTHERN IRELAND IS REQUIRED BY LAW TO COMPLETE THIS RETURN. THE REFUSAL OR WILFUL NEGLECT TO PERFORM THIS DUTY IS A CRIMINAL OFFENCE.

GUIDANCE ON COMPLETION

General:

1. Unless the Certification Officer has authorised the association to make its annual return to another date, this return must be made to 31 December and sent to the Certification Officer as soon as possible, and in any event before 1 June.
2. The information must give a true and fair view of the matters to which the return relates. Accounts and balance sheet of an association working through branches should include the transactions, assets and liabilities of all the branches, negative values must be shown in brackets. The left hand columns of pages 4 and 6 may be used for the previous year's figures. Completion of these is voluntary.
3. There should, if not otherwise shown, be stated by way of note every material respect in which items shown in the return are affected; by transactions of an exceptional or non-recurrent nature; or by any change in the basis of accounting.
4. Accounting policies dealing with items judged material or critical in determining the surplus or deficit for the year and in stating the financial position must be made on page 10.
5. Where the space in an account or analysis is insufficient a separate sheet may be attached to the appropriate page. The return must be signed by two officers (Page 12). A person cannot sign in more than one capacity.

Association's Rules:

6. **A COPY OF THE RULES IN FORCE AT THE END OF THE YEAR TO WHICH THIS RETURN RELATES MUST BE SUBMITTED WITH THIS FORM EVEN IF THE RULES HAVE NOT YET BEEN ALTERED SINCE THE PREVIOUS RULE BOOK WAS SUBMITTED. THIS IS A STATUTORY REQUIREMENT WHICH THE CERTIFICATION OFFICER HAS NO AUTHORITY TO WAIVE.**

Revenue Account

7. "Remuneration of Staff" – includes salaries and wages, holiday/redundancy pay, national insurance, ordinary, graduated, and superannuation contributions, and related staff expenses.
8. "Occupancy Costs" – includes rents, rates, insurance, gas, electricity, water, fuel, general repairs and renewals, and other maintenance items.
9. Any material amount (a) set aside for provisions other than for depreciation, renewals or diminution in value of assets; or (b) which had been set aside for such provisions, but no longer required, must be shown separately.
10. Any amount charged to revenue for renewal of fixed assets must be shown separately, whether or not any amount is also charged to provide for depreciation or diminution of those assets. If depreciation or replacement of fixed assets is by a method other than a depreciation charge, or provision for renewals, the method, or if no provision is made, should be stated by way of note if not otherwise shown.
11. Interest, Dividends and any other income, including Capital Gains on the sale of investments should be shown gross, and the relevant tax included in "Taxation" (page 4). The basis of the Taxation charge should be shown as a note to the accounts.

Other Fund Accounts

12. If separate funds are maintained for particular benefits or objects of the association, the accounts (page 5) should be completed for those funds, and the appropriate income and expenditure excluded from the Revenue Account.

Balance Sheet

13. The following, if material, should be shown as a note, if not otherwise indicated:
 - a) Particulars of any monies owing by the association for loans/overdrafts which are secured on the assets of the association;
 - b) The general nature of any contingent liability not provided for and the estimated amount of the contingent liability;
 - c) The aggregate amount or estimated amount of:
 - i) capital expenditure, contracts, so far as not provided for, and
 - ii) capital expenditure authorised by the governing body of the association which has not been contracted for;
 - d) If the amounts at which any fixed assets are shown are arrived at by reference to a valuation:
 - i) the years (so far as they are known to the governing body of the association) in which the assets were severally valued and the several values, and
 - ii) where assets have been valued during the financial year, the names of the persons who valued them – their qualifications for doing so – and the bases of valuation used by them.

Fixed Assets Account

14. Under "Cost or Valuation" enter the cost of acquisition or, the amount of the valuation. If for any asset the figures relating to the period before the end of the financial year covered by the return cannot be readily obtained **the Certification Officer must be notified separately in writing.**

Associations incorporated under the Companies Orders

15. If the period covered is the same, with no significant diminution in the degree of disclosure required by this return an association incorporated under Company law may submit a copy of its accounts prepared under the Companies Orders in lieu of completing pages 4 to 9. As the Companies Orders return information sought in this return the additional information must be provided. **Pages 1, 10 and 11 must always be completed.** A nil return should be shown if appropriate.

Audit

16. An employers' association shall appoint an auditor or auditors to audit the accounts in the annual return. A person is qualified to be the auditor if he is eligible for appointment under Article 28 of the Companies (NI) Order 1990.
17. Two or more persons who are not so qualified may act as auditors of an employers' association if:-
 - a) The receipts and payments in respect of the association's last preceding accounting period did not in the aggregate exceed £5,000,
 - b) The number of its members at the end of that period did not exceed 500,
 - c) The value of its assets at the end of that period did not in the aggregate exceed £5,000, and
 - d) They are not officers or employees of the association.

RETURN OF MEMBERS

	NUMBER OF MEMBERS AT THE END OF THE YEAR				TOTALS
	Northern Ireland	Great Britain	Irish Republic	Elsewhere Abroad (including Channel Islands)	
Male					
Female					
TOTAL	11				11

RETURN OF CHANGE OF OFFICERS

Please complete the following to record any changes of officers during the twelve months covered by this return and attach as an annex to this form a complete list of all officers in post at the end of the year to which this form relates.

Title of Office	Name of Officer ceasing to hold office	Name of Officer Appointed	Date

Financial contribution from Northern Ireland members

£511,017

Number of Northern Ireland members contributing at the end of the year

11

REVENUE ACCOUNT for the year ended 31st MARCH 2016

Previous Year	INCOME			£
412,888	Members: Subscriptions, levies etc.			511,017
	Other Income			
0	Rents received			0
0	Insurance commission			0
0	Consultancy fees			0
0	Sales of goods			0
	Miscellaneous receipts (specify)			
0	- Annual Conference			26,481
31,654	- Project funding			8,230
	Investment Income			
0	Interest and dividends (gross)			0
409	Bank Interest			381
444,951		TOTAL INCOME		546,109
	EXPENDITURE			
	Administrative Expenses			
283,880	Remuneration of staff			326,786
34,585	Occupancy costs			61,021
18,945	Printing, Stationery, Post & Telephones			18,208
7,102	Professional fees			15,166
	Other administrative expenses (specify)			
5,733	- Bank fees, marketing & HR			4,800
	Other charges			
0	Bank interest			
1,194	Depreciation			835
0	Sums written off (bad debts)			912
946	Subscriptions, affiliation fees, donations			3,179
54668	Conference & meeting fees & expenses			59,047
	Miscellaneous expenditure (specify)			
38335	- Project costs			48,432
		TOTAL EXPENDITURE		538,386

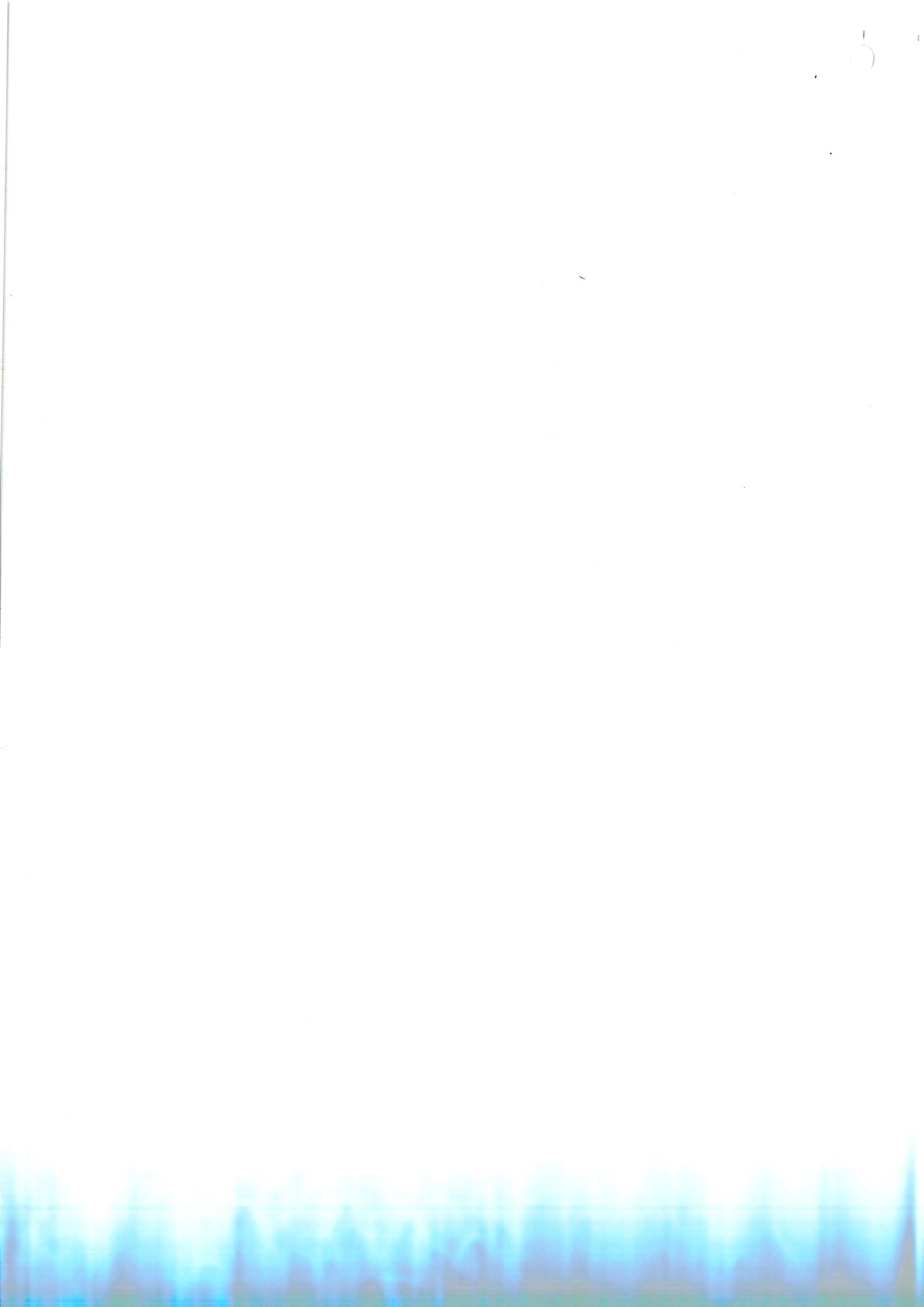
Surplus for year before taxation £ 7,723

Taxation £ 0

Surplus for year after taxation £ 7,723

Surplus brought forward £ 446,219

Balance of account taken to balance sheet £ 454,028



OTHER FUND ACCOUNTS (To be completed if note 12 applies)		
Name: SPECIFIED BODIES	£	£
Income		
Members contributions & levies		
Investment income		
Other income (specify) - DoE funding		0
Sale of publications		0
Total Income		0
Expenditure		
Administrative expenses		0
Other expenditure (specify) – transfer fund to general fund		29,810
Total Expenditure		0
Income less Expenditure – Surplus or (Deficit) for year		(29,810)
Add amount of fund at beginning of year		29,810
Amount of fund at end of year (as Balance Sheet)		0

FUND 2	Fund Account	
Name: EU DFP, eGOVT FUND, NISMP & DoE project	£	£
Income		
Members contributions & levies		
Investment income		
Other income (specify) – Funding		90,013
Total Income		90,013
Expenditure		
Administrative expenses		90,667
Other expenditure (specify) – Other Expenses		5,964
Total Expenditure		96,961
Income less Expenditure – Surplus or (Deficit) for year		(6,618)
Add amount of fund at beginning of year		30,166
Amount of fund at end of year (as Balance Sheet)		23,462

BALANCE SHEET as at 31st March 2016

Previous Year		£	£
4,591	Fixed Assets (as per analysis on page 7)		3,756
	Investments (as per analysis on page 8)		
0	Quoted (Market value £)		0
0	Unquoted		0
	Current Assets		
63,259	Sundry debtors	48,096	
0	Stocks of goods	0	
81,123	Cash at bank and in hand	121,075	
387,175	<u>DEPOSIT ACCOUNT</u>	387,560	

	Less: Current liabilities		
(59,763)	Sundry creditors	(82,997)	
	Other (specify)		

476,385	NET CURRENT ASSETS		473,734
(526,000)	Deduct: Other liabilities (specify)		
	<u>PENSION SCHEME DEFICIT</u>		(299,000)

-49,615	TOTAL NET ASSETS		178,490
	Represented by:		
416,409	Revenue Account balance		454,028
(526,000)	<u>PENSION SCHEME DEFICIT</u>		(299,000)
29,810	<u>SPECIFIED BODIES</u>		0
30,166	<u>FLGA, EU Issues, EU DFP, eGovt Fund, NISMP</u>		23,462

-49,615			178,490



FIXED ASSETS ACCOUNT

	Land & Buildings	Furniture and Equipment	Motor Vehicles	Total
	£	£	£	£
Cost or Valuation (see note 14)				
At start of year		48,143		
Additions during year		0		
Less: Disposals during year		0		
At end of year		48,143		
Accumulated Depreciation				
At start of year		43,552		
Charges for year		835		
Disposals		0		
At end of year		44,387		
Net book value at end of year		3,756		
Freehold		
Leasehold (50 or more years unexpired)		
Leasehold (less than 50 years unexpired)		
AS BALANCE SHEET		3,756		

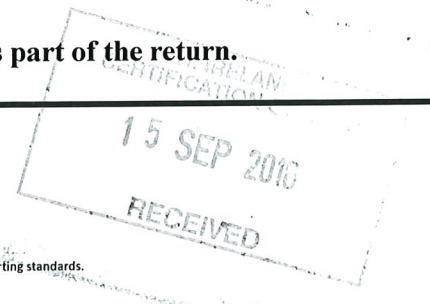
ANALYSIS OF INVESTMENTS

QUOTED		Other Funds £
	British Government & British Government Guaranteed Securities	
	Unit Trusts	
	Equities	
	Other <u>quoted</u> securities (to be specified)	
	TOTAL QUOTED (as Balance Sheet)	
	*Market Value of Quoted Investments	
UNQUOTED	British Government Securities	
	Mortgages	
	Loans	
	Equities	
	Other <u>unquoted</u> investments (to be specified)	
	TOTAL UNQUOTED (as Balance Sheet)	
	*Market Value of Unquoted Investments	

*Market value of investments to be stated where they are different from the figures quoted on the balance sheet.

NOTES TO THE ACCOUNTS

All notes to the accounts must be entered on or attached to this part of the return.



NORTHERN IRELAND LOCAL GOVERNMENT ASSOCIATION
ACCOUNTS year ended 31st MARCH 2016

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES

1.1 Accounting convention

The financial statements are prepared under the historical cost convention and in accordance with applicable United Kingdom accounting and financial reporting standards.

1.2 Taxation

The income and chargeable gains of the Association are exempt from corporation tax under section 519 of the Income and Corporation Taxes Act 1988, which grants exemption to local authority associations.

1.3 Tangible fixed assets and depreciation

Authorised and approved expenditure for an item which meets the definition of a fixed asset, and exceeds £3,000, is identified and flagged as a fixed asset. The asset is thus recognised on the Association's Balance Sheet. Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its economic useful life, as follows:

Office equipment	-	25% reducing balance
Fixtures & fittings	-	15% reducing balance

1.4 Pensions

NILGA participates in the Northern Ireland Local Government Officers Superannuation Committee Scheme (NILGOSC) for all its employees. This is a fully funded defined benefit scheme and is a statutory scheme that provides benefits on a "final salary" basis at a normal retirement age of 65. Benefits accrue at the rate of 1/60th of pensionable salary for each year of service. The scheme's professionally qualified actuaries recommend the rate of contributions to be paid (current range 5.5% to 10.5% for staff and 20% by NILGA). The employer contribution for 2015/16 has been set at 20% (2015: 20%).

The total amounts paid into the Scheme this financial year were: employees £22,331 (2015: £31,451), and employer £64,877 (2015: £95,466).

Previously NILGOSC was not able to identify the associated assets/liabilities, nor details of any surplus or deficits in the scheme, which apply to NILGA. NILGA, in accordance with FRS17 (at that time) accounted for its pension contributions for funded activities as a multi employer scheme which uses the measurement rules for a defined contribution scheme by charging the costs immediately to the Income and Expenditure Account. As NILGOSC are now able to split the fund's assets/liabilities between employing authorities, from 2010/11 NILGA accounted for the pension contributions as a defined benefit scheme, reflecting a change in accounting policy that year.

The FRS102 pensions cost contains the Service Cost and the Financing Charges (ie. the Interest Cost less the Expected Return on Assets).

- The **Current Service Cost** is the increase in the liabilities as a result of service earned by scheme members over the accounting period, net of employee contributions
 - The **Interest Cost** is the increase in the liabilities as a result of interest charged on the liabilities, including interest on the net changes in liabilities over the accounting period. The interest is calculated using the discount rate at the end of the previous accounting period.
 - The **Actuarial gain / loss on liabilities** shows the impact on the liabilities due to both experience and assumptions. The financial assumptions that are used in this calculation are heavily proscribed by the accounting standard and are based on market conditions at the accounting date.
- The pension cost is also affected by:

- Any **Past Service Costs** that are incurred (eg. benefit improvements, augmentations) - these will increase the charge to operating surplus, and
- Any **profits or losses in any Curtailments or Settlements** that took place during the accounting period (such as from sales of businesses).

The latest actuarial valuation of NILGA's liabilities took place as at 31st March 2013. Liabilities have been estimated by the independent qualified actuary (2013-2016: AON Hewitt, 2010-2012: Hymans Robertson LLP) on an actuarial basis using the projected unit credit method. The principal financial assumptions used by the actuary in updating the latest valuation of the Fund for FRS102 purposes were:

	31st March 2016	31st March 2015	31st March 2014	31st March 2013	31st March 2012
Discount rate	3.5%	3.2%	4.3%	4.5%	4.8%
RPI inflation	2.9%	2.9%	3.4%	3.7%	3.3%
CPI inflation	1.8%	1.8%	2.4%	2.8%	2.5%
Rate of increase to pensions in payment ⁽¹⁾	1.8%	1.8%	2.4%	2.8%	2.5%
Rate of increase to deferred pensions	1.8%	1.8%	2.4%	2.8%	2.5%
Pension accounts revaluation rate	1.8%	1.8%	n/a	n/a	n/a
Rate of general increase in salaries ⁽²⁾	3.3%	3.3%	3.9%	5.2%*	4.8%

⁽¹⁾ In excess of Guaranteed Minimum Pension increase in payment where appropriate
⁽²⁾ In addition, allowance is made for the same age related promotional salary scales as used at the actuarial valuation of the Fund as at 31st March 2009.
 *Salary increases were assumed to be 3% pa. until 31st March 2016 reverting to the long term assumption shown thereafter.
 *Salary increases were assumed to be 1% pa. until 31st March 2015 reverting to the long term assumption shown thereafter.

2. OPERATING SURPLUS

	2016 £	2015 £
<i>Operating surplus is stated after charging:</i>		
- Auditors remuneration	2,500	2,500
- Depreciation on tangible fixed assets	835	1,194
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3. STAFF COSTS (TOTAL FOR ALL PROJECTS, INCLUDING GENERAL FUND)

	2016 £	2015 £
<i>The average weekly number of employees (full time equivalent) was: 10 (2015: 16)</i>		
<i>Costs incurred in respect of these employees were:</i>		
- Salaries, wages and taxable expenses	328,781	471,186
- Non-taxable expenses paid through payroll system	10,153	18,431
- Social security costs (employer's NIC)	25,290	36,688
- Pension Costs - NILGOSC (funded)	64,877	95,465
- Pension Costs - NILGOSC (unfunded)	-	-
	-----	-----
	429,101	621,770
<i>In addition to employee salaries and expenses, 31 people (including the NILGA Office Bearers) were paid expenses and allowances through the payroll system as a result of attendance at NILGA meetings and/or reimbursement of out-of-pocket expenses while on NILGA business (2015: 43 people)</i>		
- Taxable expenses	10,527	20,090
- Non-taxable expenses	4,158	5,642
- Social security costs (employer's NIC)	461	1,032
	-----	-----
	444,247	648,534
<i>FRS 102 Pension Scheme adjustments:</i>		
- Current service cost	72,000	110,000
- Interest cost	105,000	117,000
- Actuarial (gains) / losses on liabilities	(258,000)	348,000
- Past service cost	-	69,000
- Interest income on assets	(89,000)	(105,000)
- Remeasurement (gains) / losses on assets	9,000	(214,000)
	-----	-----
	283,247	973,534
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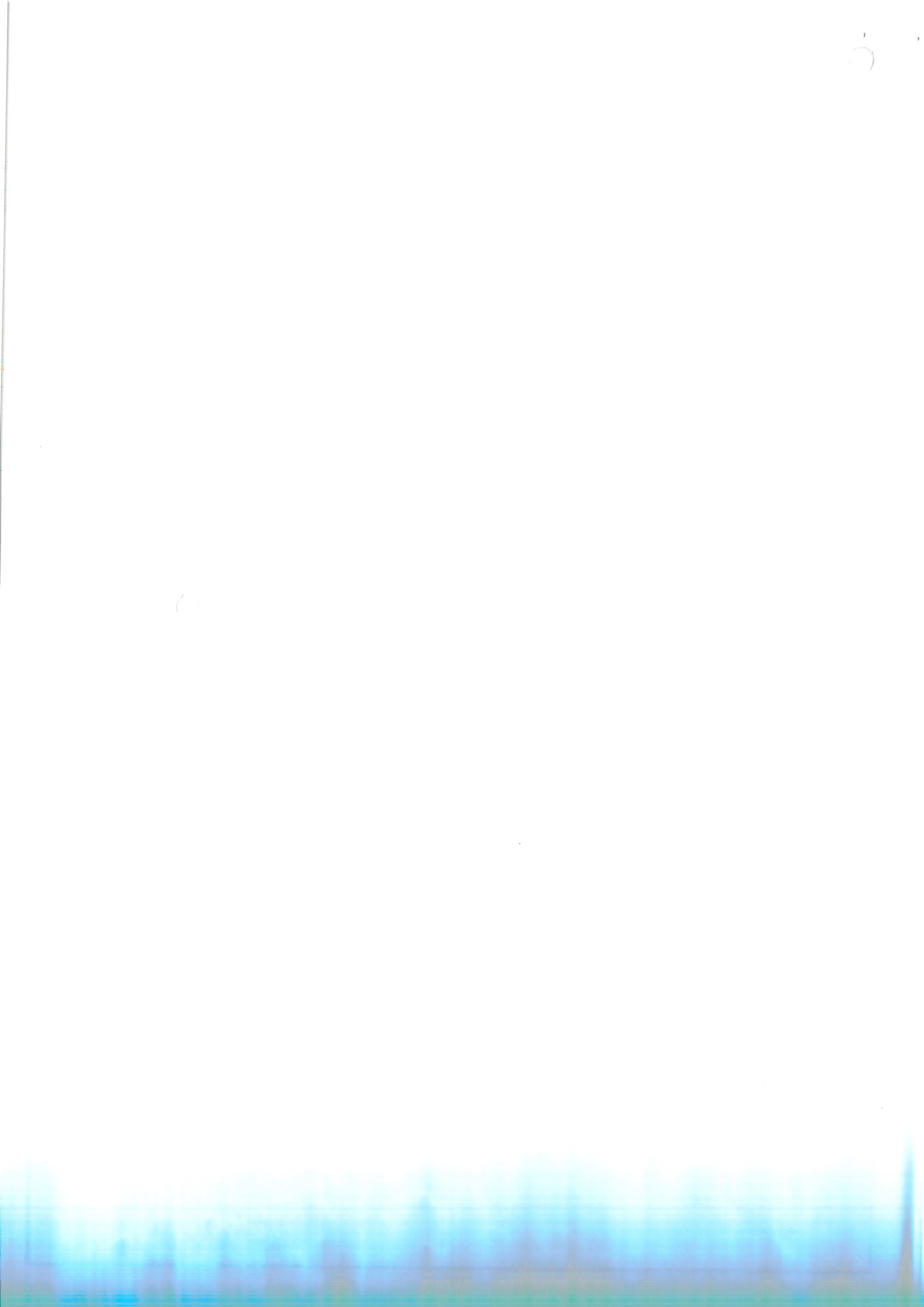
One employee earned more than £60,000 in the year (2015: 1)
 No employees earned more than £100,000 in the year (2015: none)

Remuneration to the Office Bearers was:

Name	Expenses reimbursed (non-taxable)	Taxable remuneration	Total Gross payments
Ald Carla Lockhart	-	-	£0
Cllr Dermot Curran	£210	£2,793	£3,003
Ald Tom Ekin	-	-	£0
Ald Arnold Hatch	£1,457	£1,797	£3,254
Ald Alan McDowell	£36	£166	£203
Cllr Seán McPeake	£1,621	£1,995	£3,616
Cllr Evelyne Robinson MBE	-	£750	£750

This remuneration includes office bearer allowances for the year from NILGA AGM 2014 (Sept 2014) to NILGA AGM 2015 (June 2015) and expenses for the financial year ended on 31st March 2016

4. ANNUAL SUBSCRIPTIONS		2016	2015
		£	£
Council		-	13,188
Antrim		-	-
Antrim & Newtownabbey District Council		35,409	-
Ards		-	16,362
Ards & North Down District Council		47,950	-
Armagh		-	10,334
Armagh, Banbridge & Craigavon District Council		47,950	-
Ballymena		-	14,477
Ballymoney		-	4,925
Banbridge		-	8,681
Belfast City Council		70,058	82,990
Carrickfergus		-	7,926
Castlereagh		-	17,783
Causeway Coast & Glens Borough Council		42,750	-
Coleraine		-	15,929
Cookstown		-	7,388
Craigavon		-	18,706
Derry		-	23,776
Derry City & Strabane District Council		47,950	-
Down		-	13,853
Dungannon		-	11,083
Fermanagh		-	14,373
Fermanagh & Omagh District Council		42,750	-
Larne		-	7,398
Limavady		-	5,563
Lisburn		-	28,371
Lisburn & Castlereagh City Council		42,750	-
Magherafelt		-	7,771
Mid & East Antrim Borough Council		42,750	-
Mid Ulster District Council		42,750	-
Moyle		-	3,441
Newry & Mourne		-	21,035
Newry, Mourne & Down District Council		47,950	-
Newtownabbey		-	19,298
North Down		-	21,554
Omagh		-	10,423
Strabane		-	6,260
		511,017	412,888
5. INTEREST RECEIVED		2016	2015
		£	£
Deposit interest		381	409
6. SPECIFIED BODIES		2016	2015
		£	£
RECEIPTS			
- Sale of publications		3,021	3,037
- DoE Specified bodies regulation		-	156,351
		3,021	159,388
PAYMENTS			
- Admin expenses		32,407	178,739
- Other expenses		1,380	8,191
- Payments to specified bodies		33,000	45,900
		66,787	232,830
(Deficit) of receipts		(63,766)	(73,442)
Opening fund balance (2015: restricted fund, transferred to General Fund for 2016)		29,810	103,252
Deficit met from NILGA General fund		33,956	-
Closing fund balance (2015: restricted fund, transferred to General Fund for 2015)		0	29,810



7.	OTHER RECEIPTS	2016	2015
		£	£
	GENERAL FUND:		
	- Ulster in Bloom	4,500	8,650
	- Local Government awards / event	-	8,165
	- European Issues	-	800
	- Sundry	709	2,301

		5,209	
	DoE PROJECT:		
	- Opening balance of income receivable	(24,715)	(24,212)
	- Income received to 31st March	24,671	87,784
	- Income receivable at 31st March	-	24,715

		-44	
	EU PROJECT - N.I. COMPETITIVENESS & EMPLOYMENT PROGRAMMES 07-13:		
	- Opening balance of income receivable	(18,550)	(15,209)
	- Income received to 31st March	34,253	62,937
	- Income receivable at 31st March	-	16,321
	- Match funding	3,867	18,550

		19,570	
	NI STRATEGIC MIGRATION PARTNERSHIP:		
	- Opening balance of income receivable	-	-
	- Income received to 31st March	70,487	117,392
	- Income receivable at 31st March	-	-

		70,487	

		95,222	308,194

8.	ADMINISTRATION EXPENSES	2016	2015
		£	£
	GENERAL FUND		
	- Secretariat (2016 includes spend on NUC - Specified Bodies)	326,786	283,880
	- Rent and rates	35,942	34,717
	- Office refurbishment / maintenance	24,139	(960)
	- Insurance	940	828
	- Office expenses (2016 includes spend on NUC - Specified Bodies)	14,261	14,107
	- Postage and carriage	850	2,008
	- Telephone, internet and fax	3,097	2,830
	- Professional fees	7,163	3,931
	- Audit fee	2,758	2,500
	- Bank charges	528	615
	- Marketing, PR and advertising	4,272	5,118
	- Personnel support and training (2016 includes spend on NUC - Specified Bodies)	5,245	671
	- Bad debts	912	-

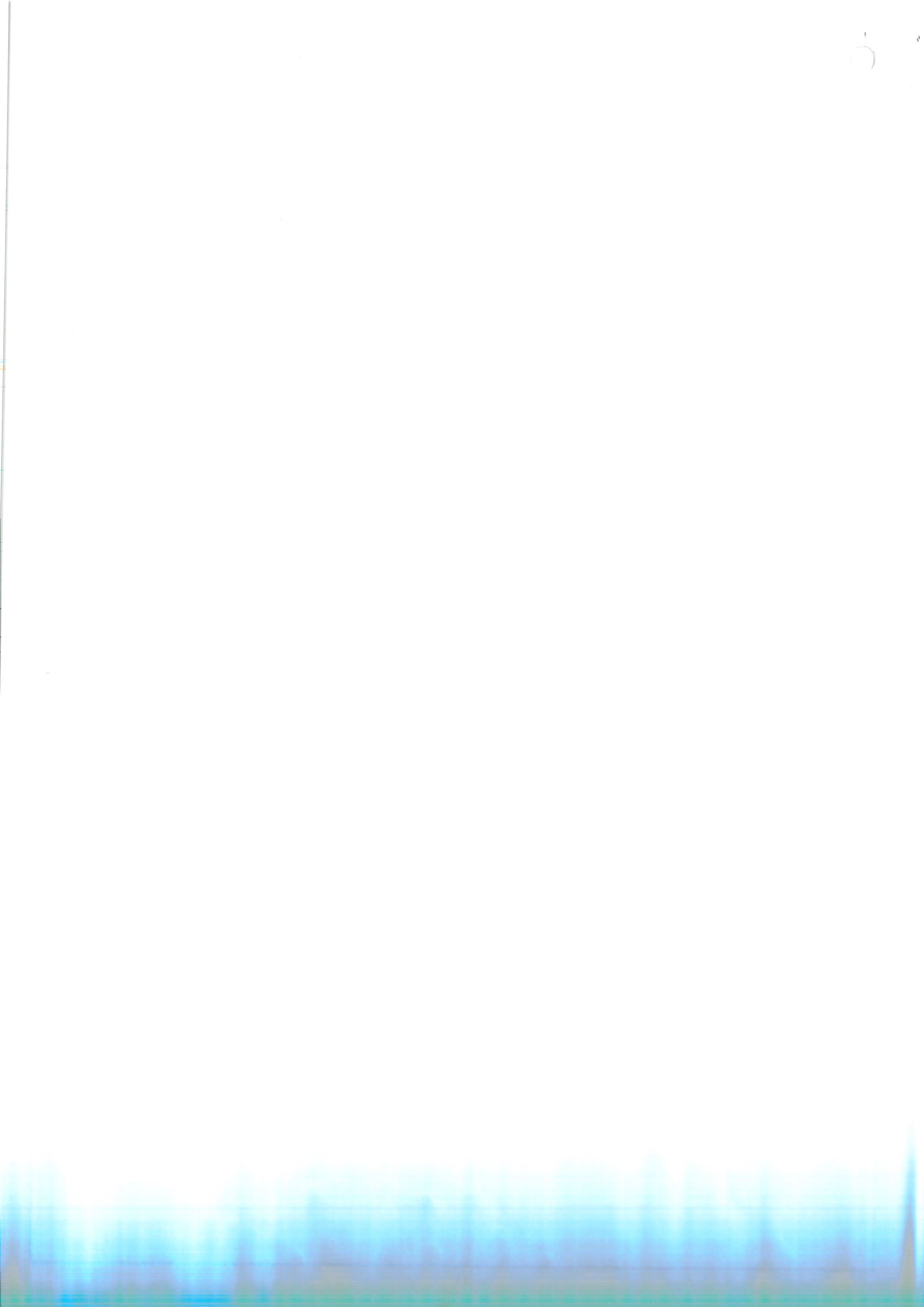
		426,893	350,245
	DoE PROJECT	-	83,108
	EU PROJECT	17,866	60,844
	SPECIFIED BODIES (now included in General Fund - see above)	-	178,739
	NI STRATEGIC MIGRATION PARTNERSHIP	72,801	84,238

		517,560	757,174

9.	OTHER EXPENSES	2016	2015
		£	£
	GENERAL FUND		
	- Meetings	7,838	8,915
	- Office bearers allowance	5,625	9,500
	- Members attendance allowance	3,826	9,107
	- Travel and subsistence allowances (2016 includes spend on NUC - Specified Bodies)	22,873	27,091
	- Subscriptions to other bodies (2016 includes spend on NUC - Specified Bodies)	3,179	946
	- Portraiture	-	-
	- Conference fees	401	55
	- Ulster in Bloom	4,844	5,996
	- Local Government Awards / Event	-	13,403
	- EU Issues	13,640	385

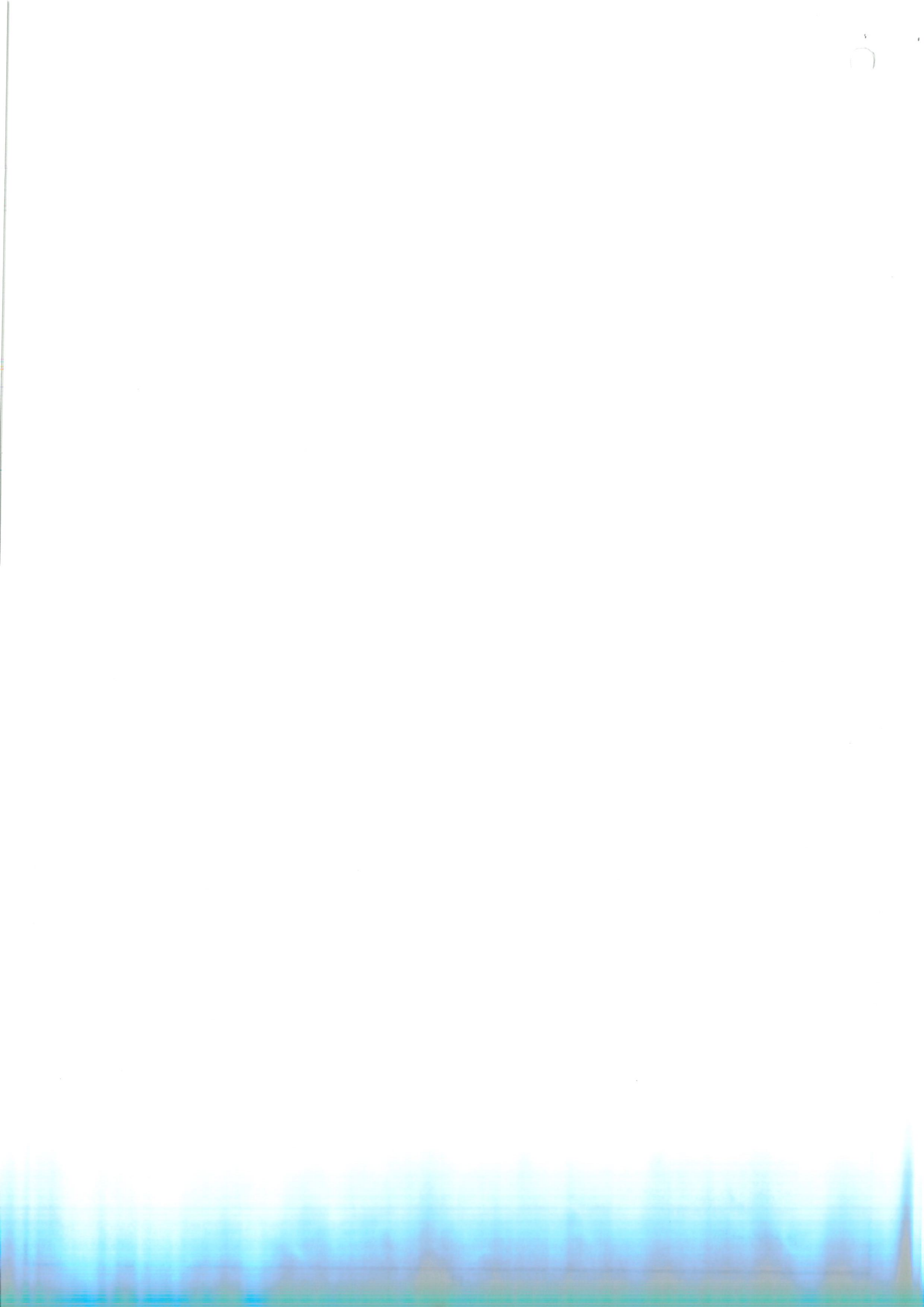
		62,226	75,398
	DoE PROJECT (see note 10)	(19)	5,179
	EU PROJECT	1,704	21,755
	SPECIFIED BODIES (now included in General Fund - see above)	-	8,191
	E GOVERNMENT FUND	-	18,567
	NI STRATEGIC MIGRATION PARTNERSHIP	4,279	26,450

		68,190	155,540



10. NORTHERN IRELAND STRATEGIC MIGRATION PARTNERSHIP		2016	2015		
		£	£		
RECEIPTS					
- Enabling grant		70,487	108,320		
- NILGA match funding		-	9,072		
		70,487	117,392		
PAYMENTS					
- Admin expenses		72,801	84,238		
- Other expenses		4,279	26,450		
		77,080	110,688		
(Deficit) of receipts		(6,593)	6,704		
Opening fund balance		6,704	0		
Fund transfer (re. 2015 match funding reassessment)		(111)	-		
Closing fund balance		0	6,704		
11. DEPRECIATION		2016	2015		
		£	£		
Office equipment		365	641		
Furniture & fittings		470	553		
		835	1,194		
12. FIXED ASSETS					
		Office Equipment	Fixtures & fittings	TOTAL	
		£	£	£	
Cost					
- At 1 April 2015 and 31 March 2016		32,154	15,989	48,143	
Depreciation					
- At 1 April 2015		30,696	12,856	43,552	
- Charge for the period		365	470	835	
- At 31 March 2016		31,061	13,326	44,387	
Net Book Value					
- At 31st March 2016		1,093	2,663	3,756	
13. DEBTORS		2016	2015		
		£	£		
Trade debtors		7,329	14,157		
Prepayments and accrued income		40,767	8,066		
EU Project		-	16,321		
DoE Project		-	24,715		
		48,096	63,259		
14. CREDITORS (amounts due within one year)		2016	2015		
		£	£		
Trade creditors		25,406	15,250		
Accruals and deferred income		38,569	11,966		
Forum for Local Government and the Arts (FLGA)		11,338	11,338		
Sundry creditors		7,686	21,209		
		82,999	59,763		
15. PROVISION FOR LIABILITIES AND CHARGES		2016	2015		
		£	£		
<i>Pension provisions:</i>					
Balance brought forward		526,000	368,000		
(Reduction) / increase in provisions		(227,000)	158,000		
		299,000	526,000		
16. RECONCILIATION OF MOVEMENT ON RESERVES					
		GENERAL FUND RESERVE (unrestricted)	RESTRICTED PROJECT RESERVES	TOTAL 2016	2015
		£	£	£	£
Balance brought forward at 1 April 2015		(109,591)	59,976	(49,615)	194,127
Surplus / (Deficit) for the year (incl. Actuarial gains and losses)		7,723	(6,618)	1,105	(85,742)
Recognised gain/(loss) on pension scheme		227,000	-	227,000	(158,000)
Transfer Specified Bodies from Restricted to General		29,810	(29,810)	0	-
Transfer to close DoE Project fund		(25)	25	0	-
Transfer from NISMP fund to general fund		111	(111)	0	-
Balance at 31 March 2016		155,028	23,462	178,490	(49,615)

NB: The FLGA ceased to operate as a fund of NILGA on 31st March 2011. On that date, the balance due to the FLGA on the restricted fund was £10,313. This balance was transferred to creditors of the Association on 31st March 2011. With effect from that date, any income received and expenses incurred on behalf of the FLGA is applied to or against the creditor balance. At the start of this financial year, the amount included in creditors was £11,338. There was no movement on the balance during the year.



17. PENSION SCHEME
17.1 Asset allocation

The approximate split of assets for the Fund as a whole (based on data supplied by the Fund Administering Authority) is shown in the table below.

	Asset split at 31st Mar 2016 %	Asset split at 31st Mar 2015 %
Equities	71.9	73.0
Property	13.2	12.6
Government bonds	5.7	5.7
Corporate bonds	6.4	6.5
Cash	2.3	2.0
Other *	0.5	0.2
TOTAL	100.0	100.0

* Other holdings may include hedge funds, currency holdings, asset allocation funds and other financial instruments. It is assumed that these investments will get a return in line with equities.

17.2 Basis used to determine expected return
NI Local Government Association employs a building block approach in determining the rate of return on Fund assets. Historical markets are studied and assets with higher volatility are assumed to generate higher returns consistent with widely accepted capital market principles. The assumed rate of return on each asset class is set out within this note. The overall expected rate of return on assets is then derived by aggregating the expected return for each asset class over the actual asset allocation for the Fund at 31st March 2016.

17.3 Reconciliation of funded status to Balance Sheet

	Value as at 31st Mar 2016 £'000	Value as at 31st Mar 2015 £'000
Fair value of assets	2,867	2,802
Present value of funded liabilities *	3,166	3,328
Pension asset / (liability) of funded liabilities before consideration of paragraph 41	(299)	(526)
Present value of unfunded liabilities	-	-
Unrecognised asset due to limit in paragraph 41	-	-
Pension asset / (liability) recognised on the Balance Sheet *	(299)	(526)

* 2016: This figure is split approximately 50% (£1,583,000) active member liabilities, 31% (£981,460) deferred pensioner liabilities and 19% (£601,540) pensioner liabilities
2015: This figure is split approximately 50% (£1,654,000) active member liabilities, 31% (£1,031,690) deferred pensioner liabilities and 19% (£601,310) pensioner liabilities

17.4 Amounts recognised in the income statement

	Period ending 31st Mar 2016 £'000	Period ending 31st Mar 2015 £'000
Operating cost		
Current service cost *	72	110
Past service cost	-	69
Curtailment cost	-	-
Settlement cost	-	-
Financing cost		
Interest on net defined benefit liability / (Asset)	16	12
Expense recognised	88	191

* The current service cost includes an allowance for the administration expenses of 0.3% of pensionable pay.

17.5 Changes to the present value of liabilities during the accounting period

	Period ending 31st Mar 2016 £'000	Period ending 31st Mar 2015 £'000
Opening present value of liabilities	3,328	2,755
Current service cost	72	106
Interest cost	105	121
Contributions by members	23	32
Actuarial (gains) / losses on liabilities *	(258)	347
Net benefits paid out of the Fund *	(104)	(102)
Payment of unfunded benefits	-	-
Past service cost	-	69
Net increase in liabilities from disposals and acquisitions	-	-
Curtailments	-	-
Settlements	-	-
Closing present value of liabilities	3,166	3,328

* Includes changes to the actuarial assumptions.

** consists of net cash flow out of the Fund in respect of the Employer, excluding contributions and any death in service lump sums paid, and including an approximate allowance for the expected cost of death in service lump sums.

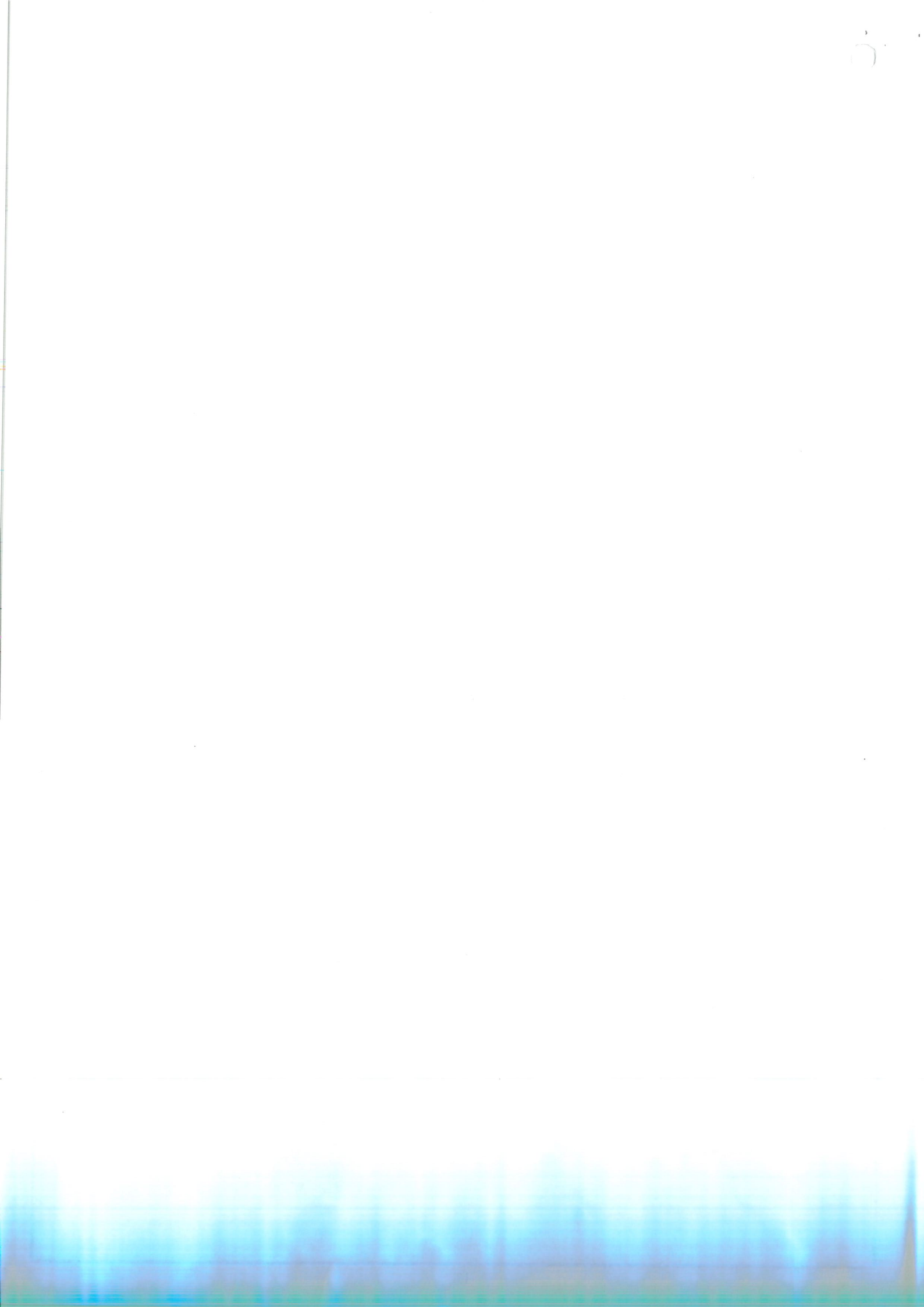
17.6 Changes to the fair value of assets during the accounting period

	Period ending 31st Mar 2016 £'000	Period ending 31st Mar 2015 £'000
Opening fair value of assets	2,802	2,387
Interest income on assets	89	105
Remeasurement gains/(losses) on assets	(9)	214
Employer contributions in respect of funded benefits	66	167
Employer contributions in respect of unfunded benefits	-	-
Contributions by participants	23	32
Net benefits paid out of the Fund *	(104)	(103)
Payment of unfunded benefits	-	-
Net increase in assets from disposals and acquisitions	-	-
Settlements	-	-
Closing fair value of assets	2,867	2,802

* consists of net cash flow out of the Fund in respect of the Employer, excluding contributions and any death in service lump sums paid, and including an approximate allowance for the expected cost of death in service lump sums.

17.7 Actual return on assets

	Period ending 31st Mar 2016 £'000	Period ending 31st Mar 2015 £'000
Interest income on assets	89	105
Actuarial gain / (loss) on assets	(9)	214
Actual return on assets	80	319



18

Financial Commitments

Unrestricted and Unrestricted funds

At 31st March 2016 the Association has no annual commitments under non-cancellable leases nor any other financial commitments that are not recognised in the accounts (2015: Enil). NILGA has entered into a number of long term contracts for the supply of services all of which are cancellable.

19

Related Party Transactions

During the year, the following transactions were undertaken with NILGA's full members :

- Antrim & Newtownabbey Borough Council received £445 (2015: £1,388 to Newtownabbey) for various costs in connection with venue hire for meetings
- Ards Borough Council received £12,309 (2015: £48,661) for employment sub-contract costs relating to the EU DFP project
- Armagh City, Banbridge and Craigavon District Council received £2,967 (2015: £167 to Armagh and £1,397 to Craigavon) for venue hire / catering and attendances at meetings
- Belfast City Council received £100 (2015: £762) for venue hire for meetings
- Lisburn & Castlereagh City Council received £11,657 (2015: Enil) for rental of the NILGA office space and venue hire for meetings
- Mid & East Antrim Borough Council received £247 (2015: Enil) for various costs in connection with venue hire / catering for meetings
- Newry, Mourne & Down District Council received £525 (2015: £21 to Newry & Mourne) for room hire for meetings

ACCOUNTING POLICIES

(see Note 4)

NORTHERN IRELAND LOCAL GOVERNMENT ASSOCIATION

ACCOUNTS year ended 31st MARCH 2016

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES

1.1 Accounting convention

The financial statements are prepared under the historical cost convention and in accordance with applicable United Kingdom accounting and financial reporting standards.

1.2 Taxation

The income and chargeable gains of the Association are exempt from corporation tax under section 519 of the Income and Corporation Taxes Act 1988, which grants exemption to local authority associations.

1.3 Tangible fixed assets and depreciation

Authorised and approved expenditure for an item which meets the definition of a fixed asset, and exceeds £3,000, is identified and flagged as a fixed asset. The asset is thus recognised on the Association's Balance Sheet

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its economic useful life, as follows:

Office equipment	-	25% reducing balance
Fixtures & fittings	-	15% reducing balance

1.4 Pensions

NILGA participates in the Northern Ireland Local Government Officers Superannuation Committee Scheme (NILGOSC) for all its employees. This is a fully funded defined benefit scheme and is a statutory scheme that provides benefits on a "final salary" basis at a normal retirement age of 65. Benefits accrue at the rate of 1/60th of pensionable salary for each year of service. The scheme's professionally qualified actuaries recommend the rate of contributions to be paid (current range 5.5% to 10.5% for staff and 20% by NILGA). The employer contribution for 2015/16 has been set at 20% (2015: 20%).

The total amounts paid into the Scheme this financial year were: employees £22,331 (2015: £31,451), and employer £64,877 (2015: £95,466).

Previously NILGOSC was not able to identify the associated assets/liabilities, nor details of any surplus or deficits in the scheme, which apply to NILGA. NILGA, in accordance with FRS17 (at that time) accounted for its pension contributions for funded activities as a multi employer scheme which uses the measurement rules for a defined contribution scheme by charging the costs immediately to the Income and Expenditure Account. As NILGOSC are now able to split the fund's assets/liabilities between employing authorities, from 2010/11 NILGA accounted for the pension contributions as a defined benefit scheme, reflecting a change in accounting policy that year.

The FRS102 pensions cost contains the Service Cost and the Financing Charges (ie. the Interest Cost less the Expected Return on Assets).

- The **Current Service Cost** is the increase in the liabilities as a result of service earned by scheme members over the accounting period, net of employee contributions
- The **Interest Cost** is the increase in the liabilities as a result of interest charged on the liabilities, including interest on the net changes in liabilities over the accounting period. The interest is calculated using the discount rate at the end of the previous accounting period.
- The **Actuarial gain / loss on liabilities** shows the impact on the liabilities due to both experience and assumptions. The financial assumptions that are used in this calculation are heavily proscribed by the accounting standard and are based on market conditions at the accounting date.

The pension cost is also affected by:

- Any **Past Service Costs** that are incurred (eg. benefit improvements, augmentations) - these will increase the charge to operating surplus, *and*
- Any profits or losses in any **Curtailments** or **Settlements** that took place during the accounting period (such as from sales of businesses).

The latest actuarial valuation of NILGA's liabilities took place as at 31st March 2013. Liabilities have been estimated by the independent qualified actuary (2013-2016: AON Hewitt, 2010-2012: Hymans Robertson LLP) on an actuarial basis using the projected unit credit method. The principal financial assumptions used by the actuary in updating the latest valuation of the Fund for FRS102 purposes were:

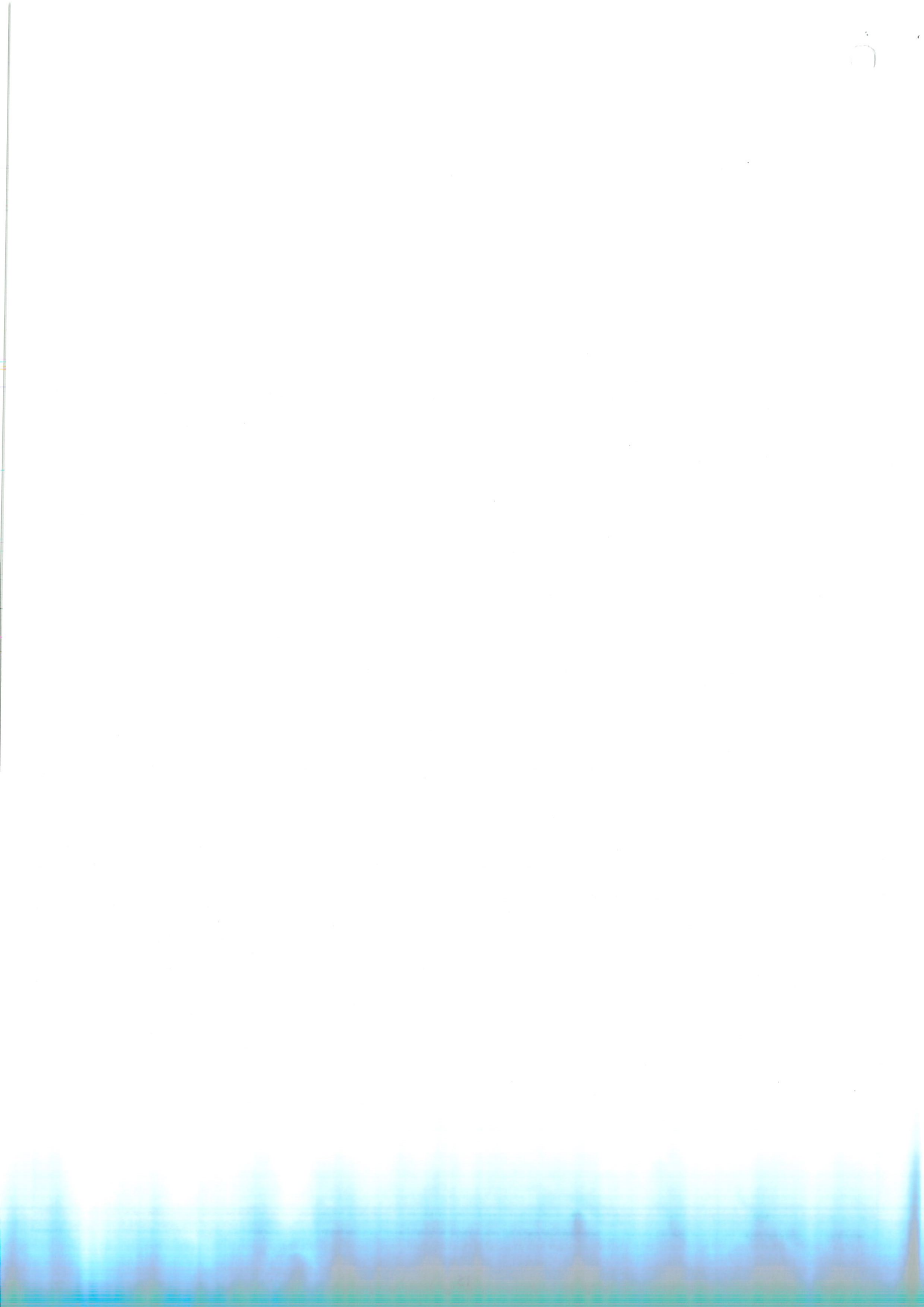
	31st March 2016	31st March 2015	31st March 2014	31st March 2013	31st March 2012
Discount rate	3.5%	3.2%	4.3%	4.5%	4.8%
RPI inflation	2.9%	2.9%	3.4%	3.7%	3.3%
CPI inflation	1.8%	1.8%	2.4%	2.8%	2.5%
Rate of increase to pensions in payment ⁽¹⁾	1.8%	1.8%	2.4%	2.8%	2.5%
Rate of increase to deferred pensions	1.8%	1.8%	2.4%	2.8%	2.5%
Pension accounts revaluation rate	1.8%	1.8%	n/a	n/a	n/a
Rate of general increase in salaries ⁽²⁾	3.3%	3.3%	3.9%	5.2% #	4.8% *

⁽¹⁾ In excess of Guaranteed Minimum Pension increase in payment where appropriate

⁽²⁾ In addition, allowance is made for the same age related promotional salary scales as used at the actuarial valuation of the Fund as at 31st March 2010.

Salary increases were assumed to be 1% pa. until 31st March 2016 reverting to the long term assumption shown thereafter

* Salary increases were assumed to be 1% pa. until 31st March 2015 reverting to the long term assumption shown thereafter



AUDITORS' REPORT

(see Note 16)

[A person is qualified to be an auditor of an employers' association if he is eligible for appointment as a company auditor under Article 28 of the Companies (NI) Order 1990

NORTHERN IRELAND LOCAL GOVERNMENT ASSOCIATION

ACCOUNTS year ended 31st MARCH 2016

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF NORTHERN IRELAND LOCAL GOVERNMENT ASSOCIATION

We have audited the non-statutory financial statements of the Northern Ireland Local Government Association (NILGA) for the year ended 31st March 2016 which comprise the Income and Expenditure Account, the Statement of Recognised Gains and Losses, the Balance Sheet and the related notes. These financial statements have been prepared under the accounting policies set out therein.

Our report has been prepared for NILGA solely in connection with our audit of the non-statutory financial statements for the year ended 31st March 2016. It has been released to NILGA on the basis that our report shall not be copied, referred to or disclosed, in whole (save for NILGA's own internal purposes) or in part, without our prior written consent.

Our report was designed to meet the agreed requirements of NILGA determined by NILGA's needs at the time. Our report should not therefore be regarded as suitable to be used or relied on by any party wishing to acquire rights against us other than NILGA for any purpose or in any context. Any party other than NILGA who obtains access to our report or a copy and chooses to rely on our report (or any part of it) will do so at its own risk. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than NILGA and NILGA's members as a body, for our audit work, for this report, or for the opinions we have formed

Respective responsibilities of NILGA and Diamond & Skillen

NILGA is required to prepare financial statements for each financial year which give a true and fair view of the state of affairs of NILGA and of the incoming resources and application of resources, including the income and expenditure, of NILGA for that period. In preparing these financial statements, NILGA is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Association will continue in business.

NILGA is responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of NILGA and enable it to ensure that the financial statements comply with the Industrial Relations (NI) Order 1992. NILGA is also responsible for safeguarding the assets of NILGA and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Our responsibility, as independent auditors, is to audit the non-statutory financial statements in accordance the terms of our engagement letter dated 31st March 2012 and with the Industrial Relations (NI) Order 1992 and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board' Ethical Standards for Auditors.

Under the terms of engagement we are required to report to you our opinion as to whether the non-statutory financial statements give a true and fair view in accordance with United Kingdom Generally Accepted Accounting Practice and are properly prepared in accordance with the Industrial Relations (NI) Order 1992. In addition, we report to you if, in our opinion, NILGA has not kept proper accounting records or if we have not received all the information and explanations we require for our audit.

We read the other information accompanying the non-statutory financial statements and consider whether it is consistent with the audited non-statutory financial statements. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the non-statutory financial statements. Our responsibilities do not extend to any other information.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the non-statutory financial statements. It also includes an assessment of the significant estimates and judgements made by NILGA in the preparation of the financial statements, and of whether the accounting policies are appropriate to NILGA's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the non-statutory financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the non-statutory financial statements.


Opinion

In our opinion the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the Northern Ireland Local Government Association's affairs as at 31st March 2016 and of its net expenditure, changes in assets and cash flows for the year then ended and have been properly prepared in accordance with the Industrial Relations (NI) Order 1992.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Industrial Relations (NI) Order 1992 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Association did not maintain a satisfactory system of control over its transactions .


NIGEL V. SKILLEN
(Senior Statutory Auditor)

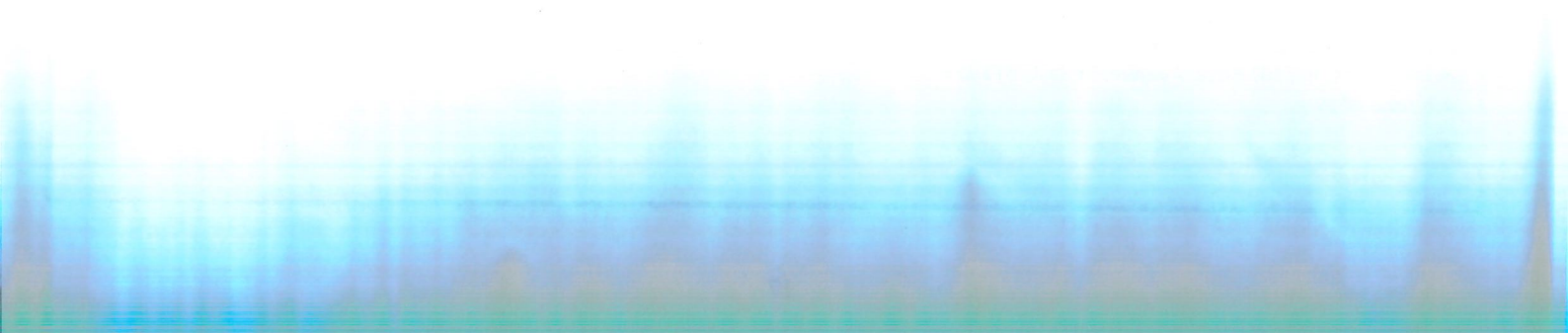
for and on behalf of

DIAMOND & SKILLEN

Chartered Accountants and Registered Auditor

Sinclair House, 89/101 Royal Avenue, Belfast, BT1 1FE

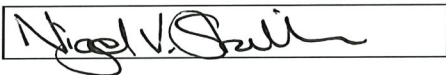
24th June 2016





AUDITOR'S REPORT continued



The Auditors' Report is made in accordance with Articles 18 to 21 of Schedule 1 of the Industrial Relations (NI) Order 1992:

Signature(s):		<input type="text"/>
Name(s):	NIGEL V SKILLEN (Please Print)	<input type="text"/> (Please Print)
Profession(s) or Calling(s):	FCA	<input type="text"/>
Address(es):	DIAMOND & SKILLEN 89/101 ROYAL AVENUE BELFAST BT1 1FE	<input type="text"/>
Date:	24 th JUNE 2016	<input type="text"/>
Contact name and telephone number:	028 9032 6103	<input type="text"/>

Signatures to the annual return including the accounts and balance sheet contained in the return by the officers of the Association. (The law requires that two officers sign the return – a person should not sign in more than one capacity.)

CHIEF EXECUTIVE: Secretary		Date: 17/8/16.
Treasurer (or other official whose position should be stated)		Date: 17/8/16

N.B. When notes to the accounts are referred to in the auditor's report a copy of those notes must accompany this return.

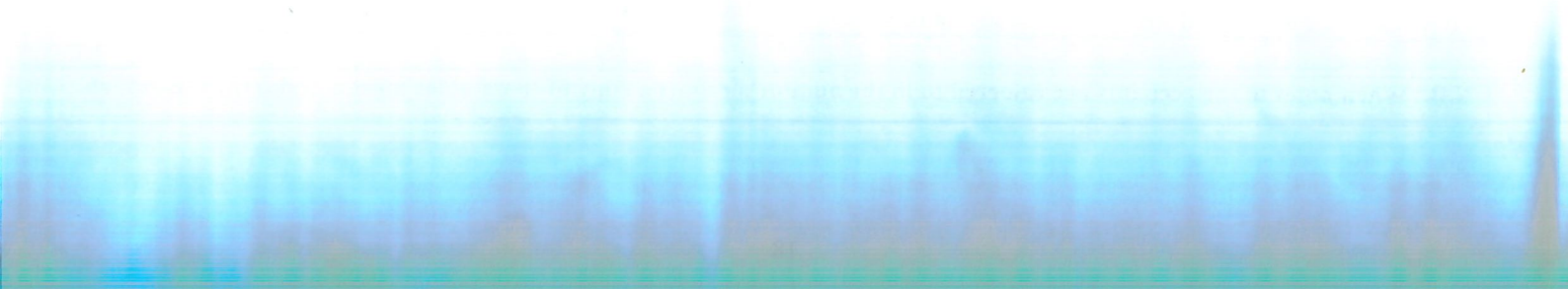
DIAMOND & SKILLEN
 CHARTERED ACCOUNTANTS



S & JUN 2018

Bankers House, 25/27 Royal Avenue
 Belfast, BT1 7TE. Tel: 028 9032 8100

2018/19



SUMMARY SHEET

	All funds except Political Funds £	Political Funds £	Total Funds £
INCOME			
From Members	511,017		511,017
From Investments	381		381
Other Income <i>(including increases by revaluation of assets)</i>	124,724		124,724
Total Income	636,122		636,122
EXPENDITURE <i>(including decreases by revaluation of assets)</i>	635,017		408,017
Pension fund surplus	- 227,000		
Total Expenditure	408,017		408,017
Funds at beginning of year <i>(including reserves)</i>	-49,615		-49,615
Funds at end of year <i>(including reserves)</i>	178,490		178,490
ASSETS			
Fixed Assets			3,756
Investment Assets			0
Other Assets			556,731
		Total Assets	560,487
LIABILITIES		Total Liabilities	381,997
NET ASSETS (Total Assets less Total Liabilities)			178,490

