EXPLANATORY MEMORANDUM TO

The Registration of Clubs (Accounts) Regulations (Northern Ireland) 2022

2022 SR No. 99

1. Introduction

1.1. This Explanatory Memorandum has been prepared by the Department for Communities to accompany the Statutory Rule (details above) which is laid before the Northern Ireland Assembly.

1.2. The Statutory Rule is made under Article 40(1) and (1A) of the Registration of Clubs (Northern Ireland) Order 1996 ("the Clubs Order") and is subject to the negative resolution procedure.

2. Purpose

2.1. The Statutory Rule sets out the requirements to which a registered club, and a club which has served notice of intention to seek registration, must conform in relation to the keeping and auditing or examination of its accounts. They also revoke the Registration of Club (Accounts) Regulations (Northern Ireland) 1997 ("the 1997 Regulations").

3. Background

3.1. The law regulating the supply of alcoholic drinks in private members' clubs has for a long time included a requirement that such clubs keep correct accounts and books showing receipts, expenditure and their financial affairs and to have the accounts audited by approved auditors.

3.2. The Clubs Order introduced stringent accounting measures and provided powers for the Department to make Regulations (the 1997 Regulations) which set out the required system of financial control.

3.3. The Licensing and Registration of Clubs (Amendment) Act (Northern Ireland) 2011 amended the Clubs Order so that financial management requirements could be made less onerous for small and medium sized clubs. An examination of the accounts replaces the requirement for a formal audit for small clubs (which have an annual gross income of less that £300,000) and medium clubs (which have an annual gross turnover of more than £300,00 but less than £500,000).

3.4. The Registration of Clubs (Accounts) Regulations (Northern Ireland) 2022 will set out the new requirements in relation to the keeping and auditing/examination of a club's financial records and accounts.

4. Consultation

4.1. The Department liaised closely with the Police Service of Northern Ireland to determine the extent of the easements, and with the Northern Ireland Federation of Clubs, representative body of registered clubs in Northern Ireland, in terms of what the easements are and a suitable commencement date.

5. Equality Impact

5.1. In accordance with its duty under section 75 of the Northern Ireland Act 1998, the Department has conducted a screening exercise on the legislative proposals for these Regulations. The Department has concluded that they would not have significant implications for equality of opportunity and considers that an Equality Impact Assessment is not necessary.

6. Regulatory Impact

6.1. No Regulatory Impact Assessment is required as the proposals will result in no or negligible costs or savings to any business, charity or voluntary group.

7. Financial Implications

7.1. None for the Department.

8. Section 24 of the Northern Ireland Act 1998

8.1. The Department considers that the Statutory Rule is compatible with section 24 of the Northern Ireland Act 1998.

9. EU Implications

9.1. Not applicable.

10. Parity or Replicatory Measure

10.1. There is no similar Statutory Rule setting out accounting requirements for clubs in Great Britain.

11. Additional Information

11.1. Not applicable.