EXPLANATORY MEMORANDUM TO

THE WHOLE OF GOVERNMENT ACCOUNTS (DESIGNATION OF BODIES) ORDER (NORTHERN IRELAND) 2014 (S.R. 2014 No.110**)**

1. General

1.1 This explanatory memorandum has been prepared by the Department of Finance and Personnel and is laid before the Northern Ireland Assembly.

1.2 This memorandum contains information for the Departmental Committee.

2. Powers and Assembly control

2.1 This Order is made under the Government Resources and Accounts Act (Northern Ireland) 2001 [2001 (c.6)] and is subject to negative resolution.

3. The "21 day Rule"

3.1 This Order was made on 10th April 2014 and comes into operation on 5th May 2014. The 21 day rule has not been breached.

4. Legislative Background

4.1 The legislation is being made to designate bodies, for the financial year ended 31 March 2014, for the purposes of section 15 of the Government Resources and Accounts Act (Northern Ireland) 2001. The designation enables the Department to require those bodies to provide financial information in relation to that financial year and consequently an Order must be made annually for the relevant accounting period. The Department of Finance and Personnel intends to pass the information provided by bodies designated in the Schedule to this Order, to HM Treasury for use in the preparation of the Whole of Government Accounts (WGA).

Like departmental resource accounts, WGA will be produced on an accruals basis and will use generally accepted accounting principles, adapted where necessary for government. These consolidated accounts will show the position of the UK Public Sector as if it were a single entity, by eliminating all significant transactions between public sector entities. The purpose of eliminating such transactions is to remove intra-group transactions that would otherwise misstate the financial position of the single entity i.e. the UK Public Sector.

5. Policy background

5.1.1 The list of designated bodies in the Schedule to the Order has been agreed in consultation with departments and the NI Audit Office. There have been two additions for 2014, the Culture Company 2013 Limited and the Police Rehabilitation and Retraining Trust. Minor amendments have also been made

to the names of the Office of the First Minister and deputy First Minister, Northern Ireland Community Relations Council, Economic Research Institute of Northern Ireland Limited and Victims and Survivors Service Limited.

6. Description of provisions

6.1 Regulation 1 contains the citation and commencement provisions.

6.2 Regulation 2 designates the bodies listed in the Schedule to the Order in respect of the financial year ending with 31st March 2014.

6.3 The Schedule lists the bodies designated for 2013/14 for the purposes of providing financial information for that financial year. This information will be used by HM Treasury in the preparation of the Whole of Government Accounts (WGA).

7. Territorial Extent and Application

7.1 This Order applies to Northern Ireland only.

8. Equality Impact

8.1 There are no quality impact implications.

9. Regulatory Impact

9.1 The order has no direct impact on Departments and their bodies.

10. Financial Impact

10.1 The order has no direct financial impact on Departments and their bodies.

11. European Convention on Human Rights

11.1 As the Order is subject to negative resolution procedure and does not amend primary legislation, no statement is required.

12. Contact

12.1 Mike Brennan at the Department of Finance and Personnel Tel: 028 91 858 151 or e-mail: Mike.Brennan@dfpni.gov.uk can answer any queries regarding this Order.