STATUTORY RULES OF NORTHERN IRELAND

2006 No. 89

LOCAL GOVERNMENT

Local Government (Accounts and Audit) Regulations (Northern Ireland) 2006

Made - - - -	*7th March 2006*
Coming into operation	*1st April 2006*

The Department of the Environment makes the following Regulations in exercise of the powers conferred by Article 24 of the Local Government (Northern Ireland) Order 2005(**1**).

In accordance with Article 24(4) of that Order, the Department has consulted councils, such associations or bodies representative of councils, such associations or bodies representative of officers of councils and such other persons or bodies as appear to the Department to be appropriate.

Citation and commencement

1. These Regulations may be cited as the Local Government (Accounts and Audit) Regulations (Northern Ireland) 2006 and shall come into operation on 1st April 2006.

Interpretation and application

2.—(1) In these Regulations —

"the 2005 Order" means the Local Government (Northern Ireland) Order 2005;

"chief financial officer" has the meaning assigned to it by section 148(1) of the Local Government Act (Northern Ireland) 1972(**2**) and, in the case of a joint committee, means the officer who has responsibility for supervising the joint committee's arrangements for the receipt of money paid to it and the issue of money payable by it or, if no such officer has been appointed, the chief officer of the joint committee;

"notice by advertisement" means a notice published in at least two newspapers circulating in the district of the local government body;

"proper practices" has the same meaning as in Article 6(3) of the 2005 Order; and

"working day" means any day other than a Saturday, Sunday or a day which is a public holiday.

(2) Regulations 3 to 16 shall not apply to the audit of accounts of local government bodies for financial years beginning before 1st April 2006.

(**1**) S.I.2005/1968 (N.I. 18); *see* Article 2(2) for the definition of "the Department"
(**2**) 1972 c. 9

(3) Regulations 6 to 10 and 12(1) shall, with all necessary modifications, apply to the accounts of an officer whose accounts are required to be audited by Article 23 of the 2005 Order.

Accounting records and control systems

3.—(1) Subject to paragraphs (3) and (4), and in so far as they are not in conflict with this paragraph or with any instructions given by a local government body to its chief financial officer, that officer shall determine on behalf of the body, its—

(a) accounting records; and

(b) accounting control systems,

and ensure that the body's accounting control systems determined by him are observed and that the accounting records of the body are maintained in accordance with proper practices and kept up to date.

(2) The accounting records determined by the chief financial officer on behalf of a local government body in accordance with paragraph (1)(a) shall be sufficient to show the body's transactions and to enable the chief financial officer to prepare a statement of accounts in accordance with these Regulations.

(3) The accounting records determined by the chief financial officer on behalf of a local government body in accordance with paragraph (1)(a) shall in particular contain—

(a) entries from day to day of all sums of money received and expended by the body and the matters to which the income and expenditure account relate;

(b) a record of the assets and liabilities of the body; and

(c) a record of income and expenditure of the body in relation to the claims made, or to be made, by it for contribution, grant or subsidy from any Northern Ireland department or public authority.

(4) The accounting control systems determined by the chief financial officer on behalf of a local government body in accordance with paragraph (1)(b) shall include—

(a) measures to ensure that the financial transactions of the body are recorded as soon as reasonably practicable and as accurately as reasonably possible, measures to enable the prevention and detection of inaccuracies and fraud, and the ability to reconstitute any lost records;

(b) identification of the duties of officers dealing with financial transactions and division of responsibilities of those officers in relation to significant transactions;

(c) procedures to ensure that uncollectible amounts, including bad debts, are not written off except with the approval of the chief financial officer, or such member of his staff as is nominated by him for this purpose, and that such approval is reported to the body and is shown in the accounting records; and

(d) measures to ensure that risk is appropriately managed.

Statement of accounts

4.—(1) The chief financial officer of a local government body shall prepare a statement of accounts for each financial year in the form directed by the Department.

(2) The chief financial officer shall sign and date the statement of accounts and shall certify that it presents fairly the financial position of the body at the end of the year to which it relates and its income and expenditure for that year.

(3) Within such period after the expiration of the financial year to which a statement of accounts relates as the Department directs, the chief financial officer shall deliver to the Department such number of copies of the statement as the Department directs.

Approval and signing of statement of accounts

5.—(1) A local government body shall ensure that the statement of accounts is prepared in accordance with these Regulations.

(2) The statement of accounts, signed and certified in accordance with regulation 4(2), shall be approved by a resolution of a committee of a local government body or by a resolution of the members of the body meeting as a whole, such approval shall take place as soon as reasonably practicable and in any event before the 30th June immediately following the end of the financial year.

(3) If a committee of a local government body or the members of the body meeting as a whole has not given approval in accordance with paragraph(2), they are required—

(a) to publish a statement before 30th June including reasons why approval has not been obtained; and

(b) to agree a course of action so that approval may be given and, subject to paragraph (4), agree a new approval date for the statement of accounts.

(4) For the purposes of paragraph (3)(b) a new approval date should be set—

(a) which is no longer than 20 working days after the date in paragraph(2); or

(b) as soon as reasonably practicable where in exceptional circumstances, despite the best endeavours of a committee of a local government body or the members of the body meeting as a whole, they cannot resolve relevant issues to allow a decision to be made in accordance with the time limit in paragraph (a).

(5) If a committee of a local government body or the members of the body meeting as a whole cannot approve the accounts in accordance with paragraph (3)(b), they shall as soon as reasonably practicable hold a meeting and resolve as to the reasons why they cannot approve the accounts and publish a statement setting out those reasons.

(6) Following approval in accordance with paragraph (2) or (3)(b), the statement of accounts shall be signed and dated by the person presiding at the committee or meeting at which that approval was given.

Publication of statement of accounts, etc.

6. As soon as reasonably possible after conclusion of an audit, and in any event before the 31st October immediately following the end of the financial year, a local government body shall publish by means other than merely by reference in the documents of meetings, committees or sub-committees of the body, the statement of accounts prepared in accordance with regulation 4 together with any certificate, opinion or report issued, given or made by the local government auditor under Article 10 of the 2005 Order before the date of publication, or, if publication takes place prior to the conclusion of the audit and no such opinion has been given, together with a declaration and explanation of the fact that at the date of publication the local government auditor has given no opinion.

Appointment of date for the exercise of rights under Articles 17 and 18 of the 2005 Order

7. The local government auditor shall, for the purpose of the exercise of rights under Articles 17(2) and 18(1) of the 2005 Order, appoint a date on or after which those rights may be exercised and shall notify the local government body concerned of that date.