



NORTHERN
I R E L A N D
HUMAN
RIGHTS
COMMISSION

ANNUAL REPORT AND ACCOUNTS 2013-14

Presented to Parliament by the Secretary of State for Northern Ireland in pursuance of paragraph 5(2) of Schedule 7 of the Northern Ireland Act 1998 and Accounts presented to Parliament by the Secretary of State on behalf of the Comptroller and Auditor General in pursuance of paragraph 7(3)(b) of Schedule 7 to the Northern Ireland Act 1998.

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1 July 2014

Rt Hon Theresa Villiers MP
Secretary of State for Northern Ireland
Stormont House
Stormont Estate
Belfast
Northern Ireland
BT4 3SH

Dear Secretary of State

I have pleasure in submitting to you, as required by paragraph 5(1) of Schedule 7 of the Northern Ireland Act 1998, the fifteenth Annual Report of the Northern Ireland Human Rights Commission. It shows how the Commission has performed its functions during the year 1 April 2013 to 31 March 2014.

The Annual Report includes the Commission's financial statements for the year ending 31 March 2014, which have been prepared in accordance with Paragraph 7 of Schedule 7 of the Northern Ireland Act 1998, and which were approved and certified by the Comptroller and Auditor General on 30 June 2014

Yours sincerely

A handwritten signature in black ink, appearing to read 'John Corey', with a long, sweeping tail that extends downwards and to the right.

John Corey
Interim Chair

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Interim Chair's Foreword

I am pleased to have the honour to provide this Foreword to the Northern Ireland Human Rights Commission's Annual Report for 2013-2014. It is also an honour to be able to present to the Secretary of State for Northern Ireland an Annual Report that reflects the hard work, commitment and dedication of all the Commission's staff and colleague Commissioners.

As a result of this work I believe that the Commission has discharged its statutory duties and responsibilities in the year from 1 April 2013 to 31 March 2014, fulfilled our obligations as a United Nations 'A' status human rights institution and importantly advanced human rights compliance in Northern Ireland.

For the first 7 months of the period covered by the report the Commission was led by our former Chief Commissioner, Professor Michael O'Flaherty who stepped down at the end of October 2013. It is right that I place on record here the major contribution that Professor O'Flaherty made to this Commission in the previous two years. His leadership and expertise were to the benefit of everyone in Northern Ireland and his development of the ground breaking 2013-16 Strategic Plan will continue to shape and influence the Commission's work in the years ahead.

For the last 5 months of the report period, as Interim Chair, I and colleague Commissioners have paid particular attention to ensuring that the Commission's programme of work continued smoothly to a high standard pending the appointment of the next Chief Commissioner. I believe this has been achieved as evidenced by the content of the Director's detailed report below. In this brief Foreword I will limit my comments to highlighting the following points.

First, a primary duty of the Commission is to advise the United Kingdom Government, the Executive and all public authorities on legislative and other measures which need to be taken to protect human rights in Northern Ireland. This Annual Report records the Commission's extensive range of written and oral submissions made throughout the 2013-14 year to discharge that duty and is testimony to the dedicated work of Commission staff.

In addition to these extensive submissions, the Commission's policy and strategy, is to work co-operatively and positively with the Northern Ireland Assembly, Executive Ministers, Department and all public bodies to ensure that their policies and actions are human rights compliant. It is particularly noteworthy, with the welcome support of funding from Atlantic Philanthropies and in co-operation with the Northern Ireland Civil Service, that the Commission launched successfully a pioneering human rights training programme which over 1,000 civil servants registered to attend.

Similarly the Commission engaged extensively with senior officials of the Health and Social Care sector to embed human rights based approaches in the provision of services and developed further rights based training with all the Ombudsman Offices.

Second, a key focus of the Commission's work, in line with our Strategic Plan, was to contribute to stimulating renewed efforts to address the many unresolved conflict related issues that regrettably contributed to violence on the streets and inevitable abuses of human rights. Victims and survivors who have suffered as a consequence of the conflict are still looking for truth recovery, or justice, or both.

The Executive's welcome decision to establish the All Party Panel under the chairmanship of Dr Richard Haas offered hope for progress. The Commission rightly prioritised the completion of papers on - *Dealing with Northern Ireland's Past -Towards a transitional justice approach: The Display of Flags, Symbols and Emblems in Northern Ireland: Parades and Protests:* and a related paper - *Human Rights to Culture in Post Conflict Societies:* and presented these to Dr Haas, the political parties participating in the talks process, the NI Executive and UK and Irish Governments. The Commission advocated strongly that human rights laws and standards must be central to the development of policies and measures to address and resolve the issues and further that a Bill of Rights for Northern Ireland has the potential to be an important cornerstone for a better future.

It is a matter of record that the Commission's papers contributed significantly to the content of the Draft Agreement published by Dr Haas. The Commission remains fully committed to assisting the political parties in building a society which accepts, respects and honours the human rights of everyone living in the community.

Third, in the 2013-14 year it was necessary for the Commission to continue to consider the potential impacts of the Government's austerity policies for the realisation of human rights – particularly the impacts on Welfare Reform, the provision of social housing and Health and Social Care services – this work will continue.

Fourth, the Commission's priority must always be to focus resources on both supporting and holding to account the UK Government and the NI Executive to achieve the goal of full realisation of human rights for all the people of Northern Ireland. A human rights institution can only do that successfully by engaging fully at international level with the United Nations and European Human Rights bodies and mechanisms. As a United Nations 'A' status accredited body the Commission has undertaken necessary additional work in supporting other human rights institutions building on the reputation and profile of the NIHRC internationally. Finally, I must record my thanks to colleague Commissioners, the Director and all Commission staff for their commitment, support and hard work in

the achievements throughout 2013-14. It is also the case that achieving compliance with human rights laws and standards requires the collaboration of the UK Government, the Executive, the Assembly, the police, judiciary, all public authorities, NGOs and civil society organisations. The Commission is committed to working with all in partnership to build a Northern Ireland where everyone's human rights are met and respected.

A handwritten signature in black ink, appearing to read 'John Corey', with a stylized, flowing script.

John Corey
Interim Chair

Strategic Report

Introduction

I am pleased to report on the very significant achievements of the Northern Ireland Human Rights Commission's staff and Commissioners during 2013-14.

The Commission was established as a result of the Belfast (Good Friday) Agreement 1998 and has been in operation since 1 March 1999, under its governing legislation, the Northern Ireland Act 1998, amended by the Justice and Security (Northern Ireland) Act 2007. We are a non-departmental public body, with grant-in-aid provided by government through the Northern Ireland Office (NIO), and reporting to Parliament through the Secretary of State for Northern Ireland. This relationship was unaffected by the devolution, from 12 April 2010, of policing and justice from the UK Parliament to the Northern Ireland Assembly.

The Commission's role is to promote awareness of the importance of human rights, to review law and practice and to advise government on what steps need to be taken to fully protect human rights in Northern Ireland. We base our work on international human rights standards, including those of the United Nations (UN) and the Council of Europe. The Commission, in line with the 'Paris Principles' guidance of 1993, has 'A' status recognition at the UN as a national human rights institution. This gives us special access to the Human Rights Council, treaty bodies and other organisations (further information on the 'Paris Principles' is available at: www.ohchr.org/english/law/parisprinciples).

What we do

The primary role of the Commission is to protect and promote the human rights of everyone in Northern Ireland. In this year we adopted a new Mission Statement:

The Northern Ireland Human Rights Commission (the Commission) champions the human rights of those who live in Northern Ireland. The Commission is Northern Ireland's human rights guardian and centre of excellence. It holds to account and works in partnership with Government, elected representatives, statutory organisations and civil society. The Commission, established on the basis of the Belfast (Good Friday) Agreement, plays a central role in shaping a society that, as it emerges from conflict, respects the Universal Declaration of Human Rights by upholding human rights and responsibilities.

In the honouring of our mission statement, in year the Commission operated on the basis of three pillars.

Pillar One: Human Rights and Good Governance

Human rights need to be embedded at the heart of the executive and legislature, reflected in our basic legal framework and honoured in the operation of all offices of State. The challenges in these regards include the complexity of our constitutional system, the nature of our devolved jurisdiction and the relative newness of many of the governance structures.

Actions: The Commission supported the development of a strong indigenous framework for human rights-compliance on the part of the State. It continued to advise Government in support of a Bill of Rights for Northern Ireland. It monitored, advised and supported public servants - including local government and the Northern Ireland Prison Service (NIPS) - to carry out their functions in a human rights-compliant manner. In particular it helped develop capacity for rights-based commissioning and delivery of services in the health and social care sector.

Outcomes: The Commission supported the embedding of capacities for human rights across Northern Ireland's governance structures, at all levels and including the framework of service delivery, especially in the health and social care sector. It published its annual statement on human rights in Northern Ireland. It advanced the process for a separate Bill of Rights for Northern Ireland. It ensured that UK-wide human rights initiatives took account of the particular circumstances of Northern Ireland and that these did not diminish existing protections or in any other way impede the distinct Northern Ireland Bill of Rights process.

Pillar Two: Human Rights and the Conflict

The legacy of conflict runs deep in Northern Ireland. There remain serious gaps in accountability, justice and inter-community reconciliation. Division and sectarianism result in violence and other forms of hate crime. Lives continue to be blighted and lost.

Actions: The Commission fostered a human rights-based understanding of the key issues of dealing with the past in Northern Ireland and developed a suite of materials on the topic. In so doing, it paid particular attention to the situation of victims and survivors and of former prisoners convicted of conflict related offences. The Commission challenged racism, including sectarianism and all its manifestations and contributed to the promotion of good community relations. The Commission undertook pioneering work on the human right to culture (including in terms of the right to acknowledge and celebrate diverse linguistic and other senses of individual and community identity). In recognition of the relationship of peace, equality and non-discrimination, the Commission continued to play its role in combating discrimination including on such grounds as race, disability, gender, sexual orientation, gender identity, ethnicity and age.

Outcomes: The Commission played its part in stimulating a new phase of consideration of how Northern Ireland undertakes a wide-ranging programme of dealing with the past, taking account of international good practice. In so doing, it ensured that significant advances are made in addressing the particular situation of victims and survivors and of former prisoners convicted of conflict related offences. It demonstrated how human rights need to be at the heart of good community relations. The Commission's work on the protection of the human right to culture in post-conflict societies was of international significance. The Commission contributed substantially to ensuring that a post-conflict Northern Ireland is a more equal and non-discriminatory society.

Pillar three: Protecting Human Rights in a Time of Austerity

Economic recession and austerity measures have led to unemployment and budget cuts that impact deeply on the enjoyment of human rights, including the right to an adequate standard of living. While those who are already at a disadvantage suffer the most, it has to be recognised that recession impacts the human rights of all the people of Northern Ireland.

Actions: The Commission closely monitored the State's compliance with its socio-economic duties, including that of ensuring an adequate standard of living. It focused attention on the needs of those who are most powerless including persons with disabilities; children in the care of or detained by the state; prisoners; ethnic minorities (including Travellers) and persons in need of health and social care. It advised government and its agencies on the achievement of these rights during a time of public spending constraint. The Commission provided human rights capacity-building support to the State and other actors.

Outcomes: The Commission ensured that legislators and policy decision-makers addressed economic challenges with the understanding that human rights protection is a priority matter. It brought to the forefront of their attention the impact of austerity measures on the most powerless in society addressing the needs of vulnerable individuals and those who are marginalised. The Commission supported their voices to be heard and those community and voluntary organisations working on their behalf. It transferred skills to relevant State actors for rights-based socio-economic decision making.

Our work which had both local and international impact during the year included

- legal assistance and strategic litigation;
- policy and legislative scrutiny (including Treaty monitoring);
- investigations;
- education.

Powers and duties

The Commission's powers and duties are derived from sections 69 and 70 of the Northern Ireland Act 1998 and sections 14 to 16 of the Justice and Security (Northern Ireland) Act 2007. Under the 1998 Act as amended, the Commission has the following duties:

- to keep under review the adequacy and effectiveness in Northern Ireland of law and practice relating to the protection of human rights;
- to advise the Secretary of State for Northern Ireland and the Executive Committee of the Northern Ireland Assembly of legislative and other measures which ought to be taken to protect human rights;
- to advise the Northern Ireland Assembly whether proposed legislation is compatible with human rights standards;
- to promote understanding and awareness of the importance of human rights in Northern Ireland by, for example, undertaking or commissioning or otherwise assisting research and educational activities, and;
- to provide advice to the Secretary of State for Northern Ireland on the scope for defining, in Westminster legislation, rights supplementary to those in the European Convention on Human Rights.

In addition, under sections 69 and 70 of the Northern Ireland Act 1998, the Commission has the following powers:

- to give assistance to individuals who apply to it for help in relation to proceedings involving law or practice concerning the protection of human rights;
- to bring proceedings involving law or practice concerning the protection of human rights;
- to conduct such investigations as it considers necessary or expedient for the purpose of exercising its other functions, and;
- to publish its advice and the outcome of its research and investigations.

The Justice and Security (Northern Ireland) Act 2007 refers to the Commission sections 14-20 inclusive, amends sections 69 and 71 of the 1998 Act and gives the Commission additional powers, with caveats:

- to institute, or intervene in, legal proceedings concerning human rights where it need not be a victim or potential victim of the unlawful act to which the proceedings relate;
- to require a person to provide information and documents in their possession, and to give oral evidence, in respect of an investigation, and;
- to enter a specified place of detention in Northern Ireland, in respect of an investigation.

Vision

The Commission was born out of a recognition that human rights values and standards need to be at the heart of our society if we are to achieve well-being, peace and justice. Northern Ireland must continuously re-affirm its commitment to core human rights and invigorate the work of building a fair society that upholds human dignity. All of us will be measured by how best we seek to honour and respect each other's human rights, especially those of the most powerless in society. The Commission recognises the central role it is called on to play in this vital work.

Mission

The Northern Ireland Human Rights Commission (the Commission) champions the human rights of those who live in Northern Ireland. As an "A Status" UN-accredited human rights institution, the Commission is Northern Ireland's human rights guardian and centre of excellence. It holds to account and works in partnership with Government, elected representatives, statutory organisations and civil society. The Commission, established on the basis of the Belfast (Good Friday) Agreement, plays a central role in shaping a society that, as it emerges from conflict, respects the Universal Declaration of Human Rights by upholding human rights and responsibilities.

Values

The Commission promotes and abides by the core principles of human rights, including:

- **Legality and Independence:** An "A Status" UN-accredited human rights institution must operate on the basis of international human rights law, in compliance with a statutory mandate and independently of the State. The Commission works for the promotion and protection of those human rights to which the United

Kingdom (UK) is legally committed at the national, regional and international levels and does so on the basis of the mandate conferred upon it by law and in full conformity with the UN Paris Principles.

- **Non-discrimination and equality:** The universality of human rights requires that they can be enjoyed by all people on the basis of non-discrimination and equality, a principle that is reinforced in Northern Ireland by provisions of the Belfast (Good Friday) Agreement. The Commission honours this principle, above all, by affording priority to protecting the most powerless in society addressing the needs of vulnerable individuals and those who are marginalised.
- **The equal status of civil, political, economic, social and cultural rights:** Human rights, as recognised in the treaties to which the UK is committed, have equal value and status and must be implemented in an integrated or “indivisible” manner. The Commission respects this principle in its work and promotes full implementation in all engagements with the State and other partners.
- **Participation:** Meaningful enjoyment of human rights must be based on participation by the holders of human rights in any processes that may impact on their well-being. The Commission is committed to involving rights-holders in all relevant areas of its activities and it strives to promote broader participation across society.
- **Accountability:** The enforcement of human rights requires that “human rights duty-bearers” be held accountable. For this to happen, decision making must be transparent. The Commission honours these requirements in all its own actions. It demands similar standards in public life and calls to account all those with responsibility for the promotion and protection of human rights. The Commission supports existing independent oversight and accountability mechanisms.
- **Partnership:** The promotion and protection of human rights requires the commitment of all who live in Northern Ireland, mindful that their rights are balanced by responsibilities. It demands the engagement of Government (central, regional and local), elected representatives, statutory bodies and civil society. The Commission plays a pivotal role in building and sustaining the necessary partnerships. It does so in the context of its role as a National Human Rights Institution with UN-accredited (“A Status”). The Commission also recognises the importance of its partnership with the other UN-accredited human rights institutions of these islands.

- **Building a culture of human rights:** A goal of the human rights system is to establish societies that embed human rights at their heart – that reflect a “culture of human rights”. A society that honours the culture of human rights is one where human rights values explicitly guide society. The Commission is committed to the fostering this culture in Northern Ireland. In so doing it recognises the challenges presented in a society that has experienced a protracted and tragic conflict and within which community divisions run deep.

Achievement of aims and objectives in 2013-14

The team at the Commission continued to draw on all capacity across the organisation in a cross functional approach to fulfilment of the new overarching Strategic Plan. Project management of our work allowed optimum tracking and dynamic adjustment to work streams resulting in greater accountability and ensured Business Plan targets were met.

In December 2013 marking Human Rights Day, at the invitation of the Speaker of the Assembly, we published our second Annual Statement which reviews the development of human rights protection and promotion in Northern Ireland. Once again this statement was well received across the political spectrum as important analysis and information.

In October 2013 the Commission launched its investigation into Hate Crime with the Minister for Justice, Chief Constable of the PSNI and the Director of the Public Prosecution Service. Most notably this launch began with a short film with victims of hate crime who had been involved in the project and attended the event at Stormont. One of the key outcomes of the investigation was our work with the Department of Justice Delivery group which has developed training for PPS, PSNI and others in the justice system. Recognition of the value of our work was also shown internationally and the Fundamental Rights Agency engaged with our methodology and findings at their event in Vilnius.

Throughout the year, the Commission provided advice to the Northern Ireland Executive and Assembly, the United Kingdom government and Westminster Parliament on a range of policies and legislation. This included written and oral submissions to:

- the Northern Ireland Affairs Committee of the House of Commons on the Implementation of the Armed Forces Covenant in Northern Ireland;
- the Department of Justice consultation on Civil Legal Aid;
- the Secretary of State for Northern Ireland on the Code of Practice on Powers of Stop, Search and Question contained within the Justice and Security (NI) Act 2007;

- the Northern Ireland Minister for Justice and the Secretary of State for Northern Ireland in advance of the G8 summit, concerning how public protests may be facilitated or restricted;
- the Northern Ireland Minister for Social Development on clause 69 of the Welfare Reform Bill;
- the Northern Ireland Minister for Education regarding Dundonald High School and its potential closure;
- the Northern Ireland Assembly Committee for Finance and Personnel on Defamation law;
- the Northern Ireland Assembly Committee for Social Development on the Department for Work and Pensions and Home Office joint call for evidence on the Internal Market: Free Movement of Persons, which focuses on the balance of competences between the United Kingdom and the European Union;
- the Northern Ireland Assembly Committee for Finance and Personnel on the Public Service Pensions Bill;
- the Department of Justice consultation on 'The Northern Ireland Law Commission Report on Bail in Criminal Proceedings';
- the Department of Health, Social Services and Public Safety on its reform process of the adult care and support system;
- the Northern Ireland Assembly Committee for Justice on the 'Human Trafficking and Exploitation (Further Provisions and Support for Victims) Bill';
- the Department of Justice on a proposed legislative bill 'Managing Criminal Cases';
- the Department of Justice consultation on 'Making a Difference: Improving Access to Justice for Victims and Witnesses of Crime – a Five-Year Strategy';
- the Secretary of State for Northern Ireland on the Anti-Social Behaviour, Crime and Policing Bill, clause 132 (compensation for miscarriages of justice);
- the Northern Ireland Minister for Health, Social Services and Public Safety on the examination by the UN Committee on the Elimination of Discrimination against Women of the seventh periodic report of the United Kingdom on compliance with the UN Convention on the Elimination of All Forms of Discrimination against Women, Concluding Observations, para. 51;
- the Office of the Lord Chief Justice on the Draft Practice Direction on Third Party Interveners;
- the Department of Health, Social Services and Public Safety in response on the Draft Guidance on Termination of Pregnancy in Northern Ireland;
- the Northern Ireland Minister for Justice on termination of pregnancy in Northern Ireland;
- the First Minister and deputy First Minister on the seventh periodic report of the United Kingdom submitted to the UN Human Rights Committee under article 40 of the International Covenant on Civil and Political Rights;

- the Department of Health, Social Services and Public Safety on proposals to consolidate and update the Provision of Health Services to Persons not Ordinarily Resident Regulations (Northern Ireland) 2005;
- the Northern Ireland Assembly Committee for Finance and Personnel on the Legislative Consent Motion in respect of the Marriage (Same Sex Couples) Bill;
- the Northern Ireland Minister for the Environment on the Planning Bill 2013;
- the Department for Employment and Learning consultation on Parental Rights, Extending Flexibility at Work Public;
- the Department of Environment consultation on 'The Environment and Economy in Partnership 21st Century Regulatory Innovation';
- the Northern Ireland Affairs Committee inquiry into the draft Northern Ireland (Miscellaneous Provisions) Bill;
- the Department of Education consultation on the Draft Traveller Child in Education Action Framework;
- the Department of Social Development consultation on the Proposed Housing (Anti-Social Behaviour) Bill (Northern Ireland);
- the Department of Justice consultation on 'Time Limits in the Youth Court';
- The Northern Ireland Assembly Committee for Health, Social Services and Public Safety on statutory rules, including the Provision of Health Services to Persons Not Ordinarily Resident Regulations (Northern Ireland) 2013;
- The Secretary of State for Northern Ireland, Northern Ireland Executive, Northern Ireland Assembly and Northern Ireland Affairs Committee of the House of Commons on the issue of 'on the runs' and death investigation;
- the Independent Inquiry into Child Sexual Exploitation in Northern Ireland established by the Northern Ireland Executive; and,
- the Westminster Parliament Joint Committee on Human Rights inquiry on Violence Against Women and Girls.

In year the Commission engaged with international human rights bodies and mechanisms in a number of ways, including written and oral submissions:

- on the List of Issues concerning the Initial Report of the United Kingdom of Great Britain and Northern Ireland on the Optional Protocol to the Convention on the Rights of the Child on the Sale of Children, Child Prostitution and Child Pornography;
- on the 7th Periodic Report of the United Kingdom of Great Britain and Northern Ireland under the Convention on the Elimination of all Forms of Discrimination against Women;
- on the 5th Periodic Report of the United Kingdom under the Convention Against Torture and Other Cruel, Inhuman or Degrading Treatment or Punishment;
- to the Committee of Experts on the Council of Europe Charter for Regional and Minority Languages;

- to the Committee for the Elimination of all Forms of Racial Discrimination (February 2013) Consideration of Report submitted by the United Kingdom of Great Britain and Northern Ireland under article 9 of the Convention;
- with the Equality and Human Rights Commission to the United Nations Human Rights Council, Twenty Fifth Session on the Report of the Special Rapporteur on the sale of children, child prostitution and child pornography;
- with the Equality and Human Rights Commission and the Scottish Human Rights Commission to the United Nations Human Rights Council, Twenty Fifth Session on the Report of the Special Rapporteur on adequate housing as a component of the right to an adequate standard of living, and on the right to non-discrimination in this context – Mission to the United Kingdom of Great Britain and Northern Ireland;
- the United Nations Human Rights Council, Twenty Fifth Session on the Northern Ireland Human Rights Commission report 'The Derry/Londonderry Report on Upholding the Human Right to Culture in Post-Conflict Societies' in response to the thematic report of the Special Rapporteur in the field of cultural rights; and,
- two statements to the UN Human Rights Council in March 2014 on the right to culture and the exploitation of children following the reports of the Special Rapporteurs Ms Farida Shaheed, Special Rapporteur in the field of cultural rights and Ms Najat Maalla M'jid , Special Rapporteur on the sale of children, child prostitution and child pornography

The Commission also engaged as a member of the UN International Co-ordinating Committee of National Human Rights Institutions and the European Network of National Human Rights Institutions on issues including; assistance to other institutions with their UN accreditation, business and human rights, education, implementation of the UNCRPD, leadership development, poverty and joint legal initiatives. The Commission continued to assist with the FRA Clarity project to improve accessibility of fundamental rights advice across Europe.

The Commission provided further advice and assistance to the Commonwealth Forum of National Human Rights Institutions during 2013-14, in particular providing support on transitional justice with a view to aiding other jurisdictions with similar challenges to our own. As a consequence of our work the Commonwealth Forum has asked the Commission to take the Chair in 2015.

During 2013-14 the Commission as an 'A' status institution through the UN International Co-ordinating Committee in Geneva developed supports for other institutions worldwide. As the UN ICC Euro Group Chair of accreditation support work the Commission supported existing and new national human rights institutions. The Commission provided particular assistance to Commissions in Kosovo and Finland with training provided to delegations from NHRIs of Bahrain and Kosovo in our Belfast offices. The Commission also provided training from our human rights based approach

to the work of Ombudsman in the offices of the Ombudsman of Gibraltar and through the Commonwealth Forum of NHRIS to our counterparts in Sri Lanka. The Commission further hosted a visit by staff of the Turks and Caicos Islands building on small state work carried out there in 2012-13. The Commission has developed opportunities in year to host international experts visiting Northern Ireland. We have welcomed:

- Mr Juan Mendez, Special Rapporteur on Torture and Other Cruel, Inhuman or Degrading Treatment or Punishment;
- Ms Farida Shaheed, Special Rapporteur in the field of Cultural Rights;
- Mrs Raquel Rolnik, Special Rapporteur on Adequate Housing as a Component of the Right to an Adequate Standard of Living, and on the Right to Non-Discrimination in this Context;
- Marianne Schulze, Disability Human Rights expert; and
- Fundamental Rights Agency - Martha Stickings, Research Assistant, Mario Oetheimer, Head of Sector Information Society, Privacy and Data Protection, Nevena Peneva, Research Assistant.

The Commission rolled out human rights training this year for the Northern Ireland Civil Service in co-operation with the Office of the First and Deputy First Minister and the Centre for Applied Learning. A second product for policy staff was developed and piloted in year with additional development work on an online tool and a short training film. Further training was designed for a range of public service providers including the Health and Social Care Board, Prisoner Ombudsman, Ombudsman for NI, NI Civil Service Commissioners, Departmental Solicitors Office and the Department of Justice.

Building on our previous community engagement work and indeed the human rights based approach for the development of our Strategic Plan the Commission continued its visits to council areas including Belfast, Coleraine, Cookstown, Larne and Strabane. These visits included legal clinics and training opportunities. The Commission liaised with other fundamental rights agencies such as NICCY and COPNI around improved access to advice and assistance, welcoming those agencies to join us in community visits and clinics. Each visit included strategic meetings with public authorities, most notably local councils and the PSNI. The views expressed by members of the public, community groups, local government and public bodies during these engagements were very influential in the development of work within the Commission in year particularly in relation to post-conflict issues and poverty.

As always, co-operation with other national human rights institutions, equality bodies and Ombudsmen was a key feature of our work. We attended a joint meeting with the Scottish Human Rights Commission, Irish Human Rights Commission and Equality and Human Rights Commission on 7 November 2013. This work assisted in co-ordinating responses to international treaty monitoring.

The Commission appeared before the Joint Committee on Human Rights at the Assembly on 6 March 2013.

The Commission held a joint meeting with the Equality Commission and agreed to continue the process and prioritise joint engagement with the four main churches and other faith groups. Both organisations were commended for the value of this way of working by the churches with a key focus on religion and rights and welfare issues. Working with the Irish Human Rights Commission we developed an all-Ireland event on Poverty for May 2014.

In partnership with the Equality Commission for Northern Ireland we continued during the year to develop our role as the jointly appointed Independent Monitoring Mechanism in accordance with Article 33 of the United Nations Convention of the Rights of Persons with Disabilities. This work involved direct engagement with community and voluntary sector organisations raising awareness of the Convention and its application within the jurisdiction. In furtherance of our role the Commission designed and delivered training to disabled persons organisations with international expert Marianne Schulze on how to engage in UN Treaty examination.

The NIHRC was selected to host a side event at the International Co-ordinating Committee 27th Annual meeting in Geneva in March 2014 on engagement with the UNCRPD Committee. At the event Professor Gillian Triggs of the Australian Human Rights Commission discussed the examination of Australia by the UNCRPD Committee. In addition Jorge Araya, Secretary of the UNCRPD Committee provided the views of the Committee on the involvement of national human rights institutions in the examination process. The event was attended by national human rights institutions from all regions of the ICC.

In accordance with our mandate under the Belfast (Good Friday) Agreement, the Commission continued to engage with the staff of the Irish Human Rights Commission with meetings on 24 September 2013 and 13 February 2014.

Exercising our legal function, the Commission initiated in 2011 a judicial review challenging the bar which prevented unmarried and same sex couples in Northern Ireland being considered as adoptive parents. This case was decided in 2012 and the Commission was successful on all grounds. The Health Minister appealed the decision and the Commission was again successful on Appeal. The Minister sought leave from the Northern Ireland Court of Appeal to refer the case to the Supreme Court, this was refused and when the Minister finally sought leave from the Supreme Court his application was again refused because it did not raise an arguable point of law. The Supreme Court order that the grounds on which permission to appeal was sought were "unarguable" and the decision of the Northern Ireland Court of Appeal "was right".

The Commission continued to offer early resolution advice through the provision of face to face legal clinics which provide an opportunity for any member of the public to meet with one of our lawyers to discuss a case or issues of concern to them.

During Derry/Londonderry City of Culture year the Commission secured the support of the Special Rapporteur, Ms Farida Shaheed, in hosting the first ever UN event exploring the right to culture in post conflict societies. This gathering of international experts in Northern Ireland resulted in a unique publication focusing on the experience of Northern Ireland which became the catalyst for a new stream of work within the UN highlighted at the Human Rights Council in Geneva in March 2014.

As part of our work under Pillar two of the strategic plan the Commission developed a suite of publications on:

- Dealing with Northern Ireland's Past: Towards a Transitional Justice Approach;
- The Display of Flags', Symbols and Emblems in Northern Ireland;
- Parades & Protests in Northern Ireland; and,
- The Derry/Londonderry report on Upholding the Human Right to Culture in a post-conflict society.

A briefing was provided for Dr Haas in September 2013 which included the above most up to date advices. The Commission was commended by Dr Haas for its work which featured in the paper produced by Northern Ireland Political Parties under the Chairmanship of Dr Haas in December 2013.

During the year the Commission developed an Action plan on the Bill of Rights.

In January 2014 the Commission welcomed former Australian Human Rights Commission Chief Commissioner, Chris Sidoti, to provide training for Commissioners and staff on the methodology of a National Inquiry as a tool for national human rights commissions. This engagement built upon previous contact with the Asia Pacific Forum.

Our work on detention in the criminal justice system continued throughout the year including regular meetings with the Director General of the Prison Service and active engagement in the series of meetings and stakeholder events on prison reform. At every opportunity the Commission has called for a discrete, separate and self-contained facility for women prisoners alongside appropriate mental health facilities to be made available in the community or a safe and secure environment to prevent women with serious mental health problems from entering prison in the first place. The Commission notes the announcement at the end of the last reporting year of Minister Ford that a new and separate custodial facility for women

prisoners will be established. However, we also note that the evidence in year of the Director General of the Prison Service to the Assembly's Justice Committee confirming that such a facility is dependent on funding being available. The Commission repeats its call for appropriate facilities for women in detention and at risk of entering detention.

In January 2014 we responded to the Department of Justice consultation on revised custodial arrangements for children in Northern Ireland when we advised that the context for discussions on children in conflict with the law ought to be one of rehabilitation and restorative justice and that children who come into conflict with the law ought not to be criminalised and the Department should look for holistic solutions to children offending.

During the year the Commission made a visit to two places of detention; in February 2014 to the Donard Learning and Skills Centre at HMP Maghaberry and in March 2014 we visited the Juvenile Justice Centre. We have continued engagement with the Prisoner Ombudsman and in February 2014 provided a briefing to him and his staff.

Corporately the Commission has developed a range of new processes and procedures to improve effectiveness and efficiency. A new mentoring scheme was opened for staff and our thanks to the mentors across all sectors who agreed to work with our staff during the year. This facility was showcased at the European Network of Human Rights Institutions meeting in Budapest in November 2013 which considered a summer school for 2014. Additionally new provision for monthly financial reporting with additional views for ease of analysis and improved human resource processes were put in place.

Funding and financial accountability

The Principal Accounting Officer (the Director General) of the Northern Ireland Office designates the Commission's Director as the Accounting Officer for the Northern Ireland Human Rights Commission.

The Commission operates under a Management Statement and Financial Memorandum agreed with the Northern Ireland Office (NIO), and is financed by grant-in-aid, the allocation of which comes from the NIO Request for Resources 1.

The Commission's financial statements for 2013-14 have been prepared in accordance with the requirements of paragraph 7(2)(a) of Schedule 7 to the Northern Ireland Act 1998 and in a form directed by the Secretary of State for Northern Ireland with the approval of the Treasury. The financial statements demonstrate the resources we have used to deliver the Commission's objectives. These financial statements have been prepared in accordance with the guidance set out in the Government Financial

Reporting Manual for 2013-14 (available at: www.gov.uk/government/publications/government-financial-reporting-manual).

The Commission spent its agreed resource allocation from the Northern Ireland Office for 2013-14.

The Commission developed funding opportunities outside of core work to build upon the significant civil service training project funded externally. The Commission secured a Service Level Agreement (SLA) with the Ombudsman for Northern Ireland for one year in 2013, with the possibility of two further extensions which have been availed of. The Commission also developed an SLA with the Health and Social Care Board which is also due to be extended in 2014-15.

Efficiency was improved in the following areas:

Cross functions working – the Commission further developed cross functions working in relation to the policy, investigation, legal and education work to ensure improved quality of services and optimised efficiency. The potential for further cross functions working was explored in the National Inquiry training in January 2014.

Website - the Commission further developed its website in year, including with the provision of further materials such as short films as well as in the layout, accessibility and security of the site itself.

Notable aspects of the Commission's expenditure during 2013-14, as compared to the previous year, detailed in Note 4 of the accounts, are highlighted below.

Expenditure continued to be reduced across a range of programmes.

Advertising, publicity and publications – despite the fact that the Commission developed more information and advice in year with a larger number of publications than in previous years, planning and prioritisation of value for money meant that savings of £6,000, being a 13% reduction on the previous year, were achieved in this area.

Building maintenance – the Commission continued to secure significant savings in this area including by the rearrangement of offices within the building. Overall there was a saving of 24% being over £6,000.

Conferences and seminars – the Commission hosted a range of events in a very busy year of engagements including the significant Annual Statement and Hate Crime investigation launches in the Long Gallery, Stormont, and still achieved very significant savings of over £16,000 which works out at almost 80% on the previous year. This saving was a result of a range of measures including decreased hospitality and developed research of best

value venues.

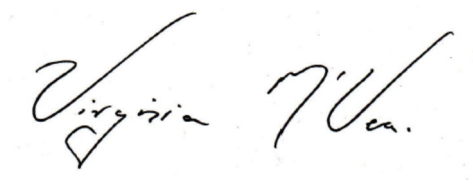
Consultancy – no consultancy services were retained in year in accordance with guidance from central government.

Travel, hospitality and subsistence – major reduction in costs was achieved by a range of measures across the organisation to ensure optimum efficiency and best value for money, such as planning for the greatest shared travel possible and minimum catering. Savings of 27% being over £10,000 were secured.

Expenditure increased in the following areas:

Internal audit – fees increased for this audit year as a consequence of additional advices and training sought by the Commission to ensure good governance arrangements within the organisation.

Staff training and recruitment – these organisational demands saw a rise of £11,000 in cost in accordance with provision and commercial rates.

A handwritten signature in black ink, appearing to read 'Virginia McVea', is written over a faint, light-colored grid background.

Virginia McVea
Accounting Officer

Date: 24 June 2014

Director's Report

Entity

The Commission is a non-departmental public body established as part of the Belfast (Good Friday) Agreement through the Northern Ireland Act 1998 and uniquely in accordance with the United Nations Paris Principles as a National Human Rights Institution.

The Commission's powers and duties are derived from sections 69 and 70 of the Northern Ireland Act 1998 and sections 14 to 16 of the Justice and Security (Northern Ireland) Act 2007.

The Commission is located at 39 North Street, Belfast, BT1 1NA and its sponsor branch is the Northern Ireland Office located at Stormont House, Stormont Estate, Belfast, BT4 3SH.

Commissioners and Management Team

The Commission is governed by its Commissioners. The following served as Commissioners during 2013-14:

- Professor Michael O'Flaherty to 31 October 2013
- Ms Christine Collins
- Mr John Corey, Commissioner to 31 October 2013 and Interim Chair from 1 November 2013
- Ms Grainia Long
- Mr Alan McBride
- Ms Marion Reynolds MBE
- Mr Milton Kerr QPM
- Mr Paul Yam MBE

The Commission's Director is Mrs Virginia McVea. As Accounting Officer, the Director is responsible for maintaining a sound system of internal control. The Governance Statement sets out how this responsibility has been discharged in 2013-14.

Dr David Russell is the Deputy Director.

Details of remuneration can be found in the Remuneration Report.

A register of interests of the Commissioners and the Management Team can be found on our website: www.nihrc.org

Corporate governance and risk management

The Commission is committed to ensuring a high standard of corporate governance. We have responsibility for defining strategy and determining resource allocations to ensure the delivery of the Commission's objectives. The Audit and Risk Committee has clear terms of reference to support the Commission.

All Commissioners have received training in the role and responsibilities of board members of non-departmental public bodies, and induction into the work of the Commission.

The Commission operated a new risk management framework based upon a new software system rather than the previous word documents. The system was developed in order to facilitate improved performance and accountability with for example processes which will allow full calculation of gross and net risk with clear identification of treatments.

Following a reduction of grant-in-aid from the NIO the Commission continued a process of staff restructuring which concluded in the early part of 2014.

There were no complaints to the Parliamentary Ombudsman in 2013-14.

Audit and Risk Management Committee

The Commission's Audit and Risk Management Committee met four times during the year. A new process of engagement between the Committee and staff was put into operation.

The Audit and Risk Management Committee 2013-14 comprised of:

- Mr Neil Bodger;
- Ms Christine Collins;
- Mr John Corey until 31 October 2013;
- Mr Alan McBride from 18 December 2013;
- Ms Marion Reynolds MBE.

The Director, Deputy Director, Finance and Administration Manager, Internal Auditor and External Auditor attend Audit and Risk Management Committee meetings.

The Audit and Risk Management Committee supports the Accounting Officer, and the Commission, by monitoring and reviewing the risk, control and governance systems, and the associated assurance processes. This is achieved by providing an independent perspective and through a process of constructive challenge. The Chairperson or nominated Committee member reports on the activities of the Audit and Risk Management Committee at Commission meetings. Minutes of Audit and Risk Management Committee meetings are circulated to all Commissioners.

Auditors

The financial statements are audited by the Comptroller and Auditor General. The audit fee for this year is £12,000 (2012-13: £12,000).

The Commission's internal audit is provided independently by ASM.

Communities

The Commission seeks to support charitable work. We do this through the operation of a payroll-giving scheme which enables Commissioners and staff to make tax effective donations to charity. We also allow community and voluntary sector organisations to use our meeting facilities when possible, and we encourage social events for Commissioners and staff to raise funds for charity. Thirdly the Commission has used a number of opportunities to advocate the support of the voluntary sector during recession not least through the engagement in community visits and following visits to ensure that key messages of human rights issues are highlighted to government. Where available, we buy from Fair Trade sources and the Commission is a member of Fairtrade Belfast.

Creditor payment, policy and performance

Monthly statistics submitted to the Northern Ireland Office highlight that the Commission has paid 99.5 per cent of all undisputed invoices within five working days against the Government target of paying 80 per cent of such invoices within this time period (2012-13: (87 per cent)).

Research and development

The Commission has led more research in 2013-2014 than at any time before with for example key projects in children in residential care, caring for adults with a disability, culture and human rights, hate crime, poverty and human rights, procurement and human rights, flags symbols and emblems, parades . Advices on health and human rights and a range of justice issues as well as the portfolio of human rights legal advices, representation and initiation of legal action can be viewed at our website: www.nihrc.org

The website itself has undergone significant development to make it more accessible and informative. Four further short films were made in year in the areas of housing, culture, hate crime and the work of the Commission engaging with international systems.

The Commission also worked on a range of international projects with the ICC, Fundamental Rights Agency and Commonwealth Secretariat.

Staff issues

We are committed to equality of opportunity and promoting good relations in accordance with our Equality Scheme, prepared in compliance with Section 75 of the Northern Ireland Act 1998. The Commission therefore strives to promote equality of opportunity and good relations within the organisation as well as in the activities it conducts. We strive to comply fully with our statutory obligations and we liaise closely with the Equality Commission for Northern Ireland to ensure we work together effectively.

We aim to be an exemplar employer in meeting the requirements of the Disability Discrimination Act 1995 and associated legislation, ensuring that disability is not a bar to recruitment or advancement. All disabled applicants who meet the essential criteria for posts advertised at the Commission are guaranteed an interview.

Our work to promote positive attitudes towards disabled people and encourage participation by disabled people in public life is set out in our annual report to the Equality Commission for Northern Ireland, on the discharge of our duties under the *Disability Discrimination Order 2006*.

Learning and development

During the year we continued to give high priority to training and developing our entire staff to enhance their professionalism to support the Commission's objectives. Staff had the opportunity to engage with a range of international experts who were invited to the Commission, and were involved in a range of expert training including on holding national inquiries. Staff also benefited from individual training opportunities such as project management. The Commission was successful in securing a place on the prestigious and highly oversubscribed ICC/FES/OHCHR (International Co-ordinating Committee/Friedrich-Ebert-Stiftung Foundation/Office of the High Commissioner for Human Rights) training seminar on international human rights mechanisms.

Employee consultation

Our Strategic Plan is implemented through our staff. We recognise that involving staff in planning and decision-making is essential in achieving business objectives. The Northern Ireland Public Service Alliance (NIPSA)

is the Commission's recognised trade union.

The Commission takes a human rights based approach to strategic planning that is unique among national human rights institutions. This approach involved a number of facilitated sessions with staff to develop the strategy and then joint engagements with staff and Commissioners.

Health and safety

We recognise and accept our legal responsibilities in relation to the health, safety and welfare of our employees and for all people using our premises. We comply with the *Health and Safety at Work (Northern Ireland) Order 1978* and all other appropriate legislation.

The Commission's Joint Negotiating and Consultative Committee (JNCC) with NIPSA, which meets quarterly, also functions as the Commission's Health and Safety Management Committee. Health and safety matters are a standing item on JNCC agendas.

Two members of staff have been trained in first aid, with one designated as the Health and Safety Officer.

The Commission continued to use an Employee Assistance Programme which provides 24-hour access to counselling and support services for Commissioners, staff and close family members.

Personal data

We are committed to safeguarding all retained personal data. Risks in this area are recorded in the Commission's risk register and the Audit and Risk Management Committee receives regular reports on activities to minimise the likelihood of the occurrence of these, and other, risks. No personal data-related incidents occurred during 2013-14.

The Commission participated in NIO led information security sessions and complied with all recommendations and requirements arising.

A member of staff also received further training in Fraud Awareness for Managers.

Future developments

The new Commission strategic plan for 2013-2016 is available on our website at www.nihrc.org. The new business plan for the period 2014-15 is also available. These plans prioritise the most marginal and vulnerable in Northern Ireland and takes full account of reduced economic circumstances. Overall the Commission strives to ensure public interest and value for money in corporate planning.

Days lost due to absence

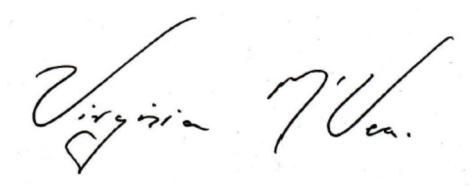
The Commission encourages a culture where good attendance is expected and valued. However, we recognise that from time to time absences for medical reasons may be unavoidable. We aim to treat staff who are ill with sympathy and fairness and where possible provide them with support which will enable them to recover their health and attend work regularly.

The Commission has noted a significant reduction in days lost due to absence in this business year.

The percentage of working days lost in 2013-14 was 3.49 per cent or an average of 8.6 days a year per employee (2012-13: 6.4 per cent and 16 days respectively).

Disclosure of audit information

As Accounting Officer, I confirm that I have taken all steps to ensure that I am aware of any relevant audit information and to ensure the Commission's auditors are aware of that information. As far as I am aware, there is no relevant information of which the Commission's auditors are unaware. The auditor has not received any remuneration for non-audit work.

A handwritten signature in black ink that reads "Virginia McVea". The signature is written in a cursive style with a large initial 'V' and 'M'.

Virginia McVea
Accounting Officer

Date: 24 June 2014

Remuneration Report

Remuneration policy

The remuneration of the Chief Commissioner and Commissioners is determined by the Secretary of State for Northern Ireland.

The Director's post is graded within the Senior Civil Service (SCS). Pay and performance management arrangements for this post are in line with guidance issued by the Cabinet Office: *Guidance for Approval of Senior Pay* (applicable from June 2010) and *HR Practitioners' Guide to SCS Reward, Benefits & Recruitment for 2010-11*. Increases in the Director's base pay, and the level of performance-related bonuses, are linked to average increases for SCS staff within the Northern Ireland Office.

The remuneration of Commission staff aligns with those of the Northern Ireland Civil Service, in common with its sister organisations. These pay arrangements continue to be performance-related. Performance is appraised by line managers in respect of achievement of agreed objectives.

The Chairperson of the Commission's Audit and Risk Management Committee was appointed through open competition from 1 July 2013. The Chairperson is remunerated at a rate of £350 per meeting (the Committee usually meets four times per year) and £350 per day (pro rata) for other work undertaken on behalf of, and at the request of, the Commission.

The other members of the Audit and Risk Management Committee are Commissioners Christine Collins, Alan McBride and Marion Reynolds. Commissioner John Corey served on the Committee until 31 October 2013. They do not receive any additional remuneration for attendance at Committee meetings.

Contracts of employment

The Chief Commissioner and Commissioners are public appointments made by the Secretary of State for Northern Ireland in line with the requirements of the Northern Ireland Act 1998 and guidelines laid down by the Commissioner for Public Appointments (www.ocpa.gov.uk). Appointments cannot be for more than five years at a time for the Chief Commissioner and for more than three years at a time for Commissioners. There is an option for a second term of appointment, at the Secretary of State's discretion. The Secretary of State will normally give three months' notice if an appointment is terminated.

Staff appointments are made in accordance with the Commission's recruitment and selection policy, which requires appointments to be made strictly on merit and through fair and open competition. Early

termination, other than for misconduct, would normally result in the individual receiving compensation as set out in the Civil Service Compensation Scheme.

The Commission's age retirement policy enables members of staff who have reached the age at which they are entitled to draw their Commission pension (which for most staff is their sixtieth birthday) to choose the age at which they will retire.

Remuneration (audited information)

The following section provides details of the remuneration and pension interests of the Commissioners and the Commission's Management Team.

Single total figure of remuneration										
	Salary (£'000)		Bonus payments (£'000)		Benefits in kind (to nearest £100)		Pension benefits (£'000)		Total (£'000)	
	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13
Professor Michael O'Flaherty Chief Commissioner	40-45 ¹	75-80	0	0	0	0	0	0	40-45	75-80
Ms Christine Collins Commissioner	5-10	5-10	0	0	600	800	0	0	10-15	10-15
Mr John Corey Commissioner (until 31 October 2013) Interim Chair (from 1 November 2013)	15-20 ²	5-10	0	0	0	0	0	0	15-20	5-10
Mr Milton Kerr QPM Commissioner	5-10	5-10	0	0	600	1,300	0	0	10-15	10-15
Ms Grainia Long Commissioner	5-10	5-10	0	0	0	0	0	0	5-10	5-10
Mr Alan McBride Commissioner	5-10	5-10	0	0	0	0	0	0	5-10	5-10
Ms Marion Reynolds MBE Commissioner	5-10	5-10	0	0	300	300	0	0	10-15	10-15
Mr Paul Yam MBE Commissioner	5-10	5-10	0	0	800	200	0	0	10-15	10-15
Mr Neil Bodger Chair of the Audit and Risk Management Committee	0-5	0-5 ³	0	0	0	0	0	0	0-5	0-5
Mr Bill Smith Chair of the Audit and Risk Management Committee	0	0-5 ⁴	0	0	0	0	0	0	0	0-5

¹ Figure quoted is for the period 1 April 2013 to 31 October 2013.

² Figure quoted is for part-time Commissioner for the period 1 April 2013 to 31 October 2013 and Interim Chair for the period 1 November 2013 to 31 March 2014.

³ Figure quoted is for the period 1 July 2012 to 31 March 2013.

⁴ Figure quoted is for the period 1 April 2012 to 31 May 2012.

Mrs Virginia McVea Director	60-65	60-65	0	0	0	0	15-20	0-5	80-85	65-70
Dr David Russell Deputy Director	45-50	45-50	0	0	0	0	15-20	15-20	65-70	65-70

	2014	2013
	£'000	£'000
Band of highest paid employee's total remuneration:-		
- Including severance pay:	60-65	75-80
Median Total Remuneration:-		
- Including severance pay	28.5	28
Ratio – Including severance pay	2.25	2.77

Reporting bodies are required to disclose the relationship between the remuneration of the highest-paid employee in their organisation and the median remuneration of the organisation's workforce.

Total remuneration includes salary, non-consolidated performance-related pay, benefits in kind as well as severance payments. It does not include employer pension contributions and the cash equivalent transfer value of pensions.

Salary

'Salary' includes gross salary; performance pay or bonuses; overtime; and any other allowance subject to UK taxation.

This presentation is based on accrued payments made by the Commission and thus recorded in these accounts.

Benefits in kind

The monetary value of benefits in kind covers any benefits provided by the employer and treated by HM Revenue and Customs as a taxable emolument (salary). Mileage Allowance Payments for Commissioners are classed as a benefit in kind and relate to the use of their own vehicles for travel to the Commission's office for meetings.

Benefits in kind paid during the 2013-14 financial year were £2,300 (2012-13: £2,600).

Pension benefits (audited information)

Commissioners

The Commission is liable for pension contributions of:

£5,764 to the University of Nottingham for the year ended 31 March 2014 (for the period 1 April 2013 to 31 October 2013) for Professor Michael O'Flaherty (2012-13: £10,013).

No further pension contributions were made for Commissioners in the year ended 31 March 2013 (2011-12: £nil).

Chairperson of the Audit and Risk Management Committee

No pension contributions were made for the new Chairperson of the Audit and Risk Management Committee in the year ended 31 March 2014 (2012-13: £236).

Management Team

	Accrued pension at pension age as at 31/3/14 and related lump sum	Real increase in pension and related lump sum at pension age	CETV at 31/3/14	CETV at 31/3/13*	Real increase in CETV	Employer contribution to partnership pension account
	£'000	£'000	£'000	£'000	£'000	Nearest £100
Virginia McVea Director	0-5 plus lump sum of 0-5	0-2.5 plus lump sum of 0-2.5	39	25	7	0
David Russell Deputy Director	10-15 plus lump sum of 0-5	0-2.5 plus lump sum of 0-2.5	88	75	6	0

Pension benefits are provided through the Civil Service pension arrangements. From 30 July 2007, Commission staff may be in one of four defined benefit schemes; either a final salary scheme (classic, premium or classic plus); or a whole career scheme (nuvos). These statutory arrangements are unfunded with the cost of benefits met by monies voted by Parliament each year. Pensions payable under classic, premium, classic plus and nuvos are increased annually in line with Pensions Increase legislation. Members joining from October 2002 may opt for either the appropriate defined benefit arrangement or a 'money purchase' stakeholder pension with an employer contribution (partnership pension account).

Employee contributions are set at the rate of 1.5 per cent of pensionable earnings for classic and 3.5 per cent for premium, classic plus and nuvos. Benefits in classic accrue at the rate of 1/80th of final pensionable earnings for each year of service. In addition, a lump sum equivalent to three years initial pension is payable on retirement. For premium, benefits

accrue at the rate of 1/60th of final pensionable earnings for each year of service. Unlike classic, there is no automatic lump sum. Classic plus is essentially a hybrid with benefits for service before 1 October 2002 calculated broadly as per classic and benefits for service from October 2002 worked out as in premium.

In nuvos a member builds up a pension based on his pensionable earnings during their period of scheme membership. At the end of the scheme year (31 March) the member's earned pension account is credited with 2.3 per cent of their pensionable earnings in that scheme year and the accrued pension is uprated in line with Pensions Increase legislation. In all cases members may opt to give up (commute) pension for a lump sum up to the limits set by the Finance Act 2004.

The partnership pension account is a stakeholder pension arrangement. The employer makes a basic contribution of between 3 per cent and 12.5 per cent (depending on the age of the member) into a stakeholder pension product chosen by the employee from a panel of three providers. The employee does not have to contribute, but where they do make contributions, the employer will match these up to a limit of 3 per cent of pensionable salary (in addition to the employer's basic contribution). Employers also contribute a further 0.8 per cent of pensionable salary to cover the cost of centrally-provided risk benefit cover (death in service and ill health retirement).

The accrued pension quoted is the pension the member is entitled to receive when they reach pension age, or immediately on ceasing to be an active member of the scheme if they are already at or over pension age. Pension age is 60 for members of classic, premium and classic plus and 65 for members of nuvos.

Further details about the Civil Service pension arrangements can be found at the website: www.civilservice.gov.uk/my-civil-service/pensions.

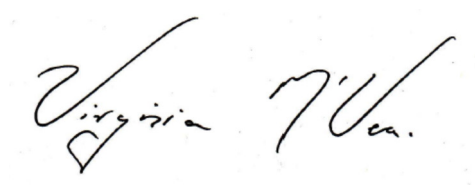
Cash Equivalent Transfer Values

A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which disclosure applies.

The figures include the value of any pension benefit in another scheme or arrangement which the member has transferred to the Civil Service pension arrangements. They also include any additional pension benefit accrued to the member as a result of their buying additional pension benefits at their own cost. CETVs are worked out within the guidelines and framework prescribed by the Institute and Faculty of Actuaries and do not take account of any actual or potential reduction to benefits resulting from Lifetime Allowance Tax which may be due when pension benefits are taken.

Real increase in CETV

This reflects the increase in CETV that is funded by the employer. It does not include the increase in accrued pension due to inflation, contributions paid by the employee (including the value of any benefits transferred from another pension scheme or arrangement) and uses common market valuation factors for the start and end of the period.

A handwritten signature in black ink, appearing to read 'Virginia McVea', is written over a faint, light-colored grid background.

Virginia McVea
Accounting Officer

Date: 24 June 2014

Statement of Accounting Officer's Responsibilities

Under Section 7(2)(a) of Schedule 7 to the Northern Ireland Act 1998, the Secretary of State for Northern Ireland (with the consent of HM Treasury) has directed the Northern Ireland Human Rights Commission to prepare for each financial year a statement of accounts in the form and on the basis set out in the Accounts Direction. The accounts are prepared on an accruals basis and must give a true and fair view of the Northern Ireland Human Rights Commission's state of affairs at the year end and of its income and expenditure, changes in Taxpayers' Equity, and cash flows for the financial year.

In preparing the accounts, the Accounting Officer is required to comply with the requirements of the HM Treasury's *Financial Reporting Manual* and, in particular, to:

- observe the Accounts Direction issued by the Secretary of State for Northern Ireland, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis
- make judgements and estimates on a reasonable basis
- state whether applicable accounting standards as set out in the HM Treasury's *Financial Reporting Manual* have been followed, and disclose and explain any material departures in the financial statements, and
- prepare the financial statements on a going concern basis.

The Accounting Officer of the Northern Ireland Office has designated the Director as Accounting Officer of the Northern Ireland Human Rights Commission. The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which the Accounting Officer is answerable, for keeping proper records and for safeguarding the Northern Ireland Human Rights Commission's assets, are set out in *Managing Public Money*, published by HM Treasury.

Governance Statement

As Accounting Officer, I have responsibility for maintaining a sound system of internal control that supports the achievement of the Northern Ireland Human Rights Commission's policies, aims and objectives, as set by Commissioners, and approved by the Secretary of State for Northern Ireland, whilst safeguarding the public funds and the Commission's assets for which I am personally responsible, in accordance with the responsibilities assigned to me in *Managing Public Money*. Our focus is upon outcomes and robust governance procedures which are designed to ensure that risk and opportunity are clearly identified and responded to.

The Commission complies materially with the guidance provided in the corporate governance code for central government departments.

As a non-departmental public body (NDPB), sponsored by the Northern Ireland Office, responsible to Parliament through the Secretary of State for Northern Ireland the governance framework of the organisation includes a Financial Statement and Management Agreement. The Commissioners also operate in accordance with Standing Orders and guidance on corporate governance as well as agreed principles of public service in the Nolan Principles. The Chief Commissioner and Commissioners have corporate responsibility for promoting the efficient and effective use of staff and other resources by the Commission, demonstrating high standards of corporate governance at all times. This role includes ensuring that they receive and review regular financial information concerning the management of the Commission, are informed in a timely manner about any concerns about the activities of the Commission, and provide assurance to the sponsoring Department that appropriate action has been taken on such concerns.

Discussions on financial matters and risk are normally held with officials at the NIO, rather than directly with Ministers. The NIO has in ongoing formal meetings confirmed the Commission's fulfilment of assurances. However, the Chief Commissioner and Commissioners have access to the Secretary of State on request. The Chief Commissioner and Interim Chair met twice with the Secretary of State Theresa Villiers.

Further to development of performance with the former Chair of the UN International Co-Ordinating Committee Rosslyn Noonan and the identification of key areas of focus the Commission has developed high levels of accountability for staff and Commissioners to ensure robust evidence based assurance.

Commissioners' Meetings

The Commission met 12 times during the reporting period.

The following served as Commissioners from April 2013 - March 2014

	Meetings attended
Professor Michael O'Flaherty	7
Ms Christine Collins	9
Mr John Corey	12
Mr Milton Kerr QPM	9
Ms Grainia Long	9
Mr Alan McBride	12
Ms Marion Reynolds MBE	12
Mr Paul Yam MBE	12

Audit and Risk Management Committee Meetings

The Audit and Risk Management Committee met 4 times during the reporting period.

	Meetings attended
Mr Neil Bodger	4
Ms Christine Collins	3
Mr John Corey (until 31 October 2013)	2
Mr Alan McBride (from 18 December 2013)	2
Ms Marion Reynolds MBE	3

The Audit and Risk Management Committee report as required and at least annually to the full Commission board through the Independent Chair of the Committee. Audit and Risk Committee papers are available to all Commissioners. The new Commission works through one Commission meeting only and has no separate standing Committees other than that of Audit and Risk. The Commission is also represented by Commissioners and staff on the joint Independent Monitoring Committee with the Equality Commission for Northern Ireland.

During this year the Commission has met 12 times. Follow up consideration of training outcomes from the former ICC Chair Rosslyn Noonan training has informed Commission performance. Additionally, through enhanced bi-monthly statutory functions reports and improved quarterly reports against the Business Plan the Commission has continued to review its organisational performance. Commission minutes have been made available and the report of the Audit and Risk Management Committee will be tabled in June 2014 for consideration.

With a reliance on robust recruitment processes and performance appraisals the Commission satisfies itself as to the quality of professional advice provided to it. The expertise of the Chief Commissioner has ensured excellent international human rights quality assurance and this is

enhanced by the knowledge and experience of Commissioners who review all materials published by the Commission.

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it 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 Commission'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 system of internal control has been in place in the Commission for the year ended 31 March 2014 and up to the date of approval of the annual report and accounts, and accords with Treasury guidance.

The Commission's risk management framework, involves Commissioners and staff in reviewing and assessing risk on a regular basis, so that risk is an integral part of the ongoing planning and monitoring processes of the Commission. This process is being enhanced through development of project management, process and skills.

The Chairperson of the Commission's Audit and Risk Management Committee, who is independent of the Commission, also provides an additional source of expertise for management and Commissioners to consult on specific issues as they arise.

The Commission has a continuous, proactive and systematic approach to understand, manage and communicate risk across the organisation. The new risk management framework is comprehensive and involves Commissioners, managers and staff as follows:

- overall responsibility for ensuring that risks are identified and an appropriate framework is in place to manage those risks down to an acceptable level rests with the Commission's Accounting Officer
- individual members of staff can be nominated as 'risk owners' delegated with responsibility from the Director for monitoring and reporting on specific risks within their area of work
- the risk register, and the effectiveness of activities to manage identified risks, is reviewed monthly by the Management Team
- the Audit and Risk Management Committee, which meets quarterly, reviews the entire risk register and reports to the Commission, through the Director, on the effectiveness of activities to manage identified risks following each meeting

- the Commission reviews the risk register and the effectiveness of the risk management framework
- the external environment is assessed for any opportunistic new risks as part of the annual business planning process and in addition for the new strategic plan
- Information risk is managed by the Commission within the context of the risk management framework. The Commission seeks to manage down the likelihood of the risk materialising through an Information Assurance Policy and Information and Communications Technology (ICT) policies and procedures, supported by training for staff on these. The Commission has liaised closely with the NIO network to ensure compliance.

The Commission managed and significantly mitigated the following principle key risks:

- Reputation – the new human rights based approach to strategic planning focused on external perception, opportunities and risk. Commissioners and staff abide by and act in accordance with the Code of Governance and staff Code of Conduct respectively. Increased community engagement has ensured greater opportunity for raising awareness of human rights locally. Increased work at the international level with in particular the Commonwealth Forum and other Chief Executive Officers of NHRIs has improved the profile and influence of the Commission internationally.
- Effectiveness and efficiency – financial reports are presented to each management meeting, Audit and Risk Management Committee meeting and Commission meeting, setting out expenditure and commitments, performance against profile and forecast outturn. There is also regular liaison with the NIO on financial performance. An effectiveness and efficiency plan for managing the Commission’s reduced budget allocation for 2012-13 and beyond was presented to the NIO in December 2011. The Commission has this year concluded that efficiency project and ensured effective planning moving forward to include a reorganisation of administrative and financial services. Project management software was installed to facilitate more accountable management processes. The Commission completed a three year restructuring process to optimise effectiveness and efficiency.
- Legal costs – the Commission continued with processes to estimate and monitor legal costs in supported cases in order to ensure proper management of public monies and ultimately result in costs coming within budget. Application for costs was made in the Court of Appeal and was granted in the adoption case in year.

- Information security – staff completed the revised online training package on protecting information.

Many risks to a national human rights institution are ongoing however within the last business year particular new risks around budget and recruitment were identified and satisfactorily treated.

In addition to the mechanisms outlined above, as Accounting Officer, I have responsibility for ensuring the effectiveness of the system of internal control. Reviewing the effectiveness of the system of internal control is informed by the work of the internal auditors and comments made by the external auditors in their management letter and other reports. I have been advised on the effectiveness of the system of internal control by the Commission (the Board), the Audit and Risk Management Committee and a plan to address identified further weaknesses and ensure continuous improvement of the system is in place.

The Audit and Risk Management Committee comprises an independent Chairperson, who has extensive financial management experience at a senior level in the public sector, who was appointed following an open recruitment competition, and up to four Commissioners with a range of experience in corporate governance. Both the Commission's internal and external auditors also attend Audit and Risk Management Committee meetings, as well as a representative of the Northern Ireland Office.

As outlined, Audit and Risk Management Committee minutes are tabled at Commission meetings and the Committee reports annually to the Commission. Furthermore, the Chairperson has direct access to the Director and Chief Commissioner as appropriate.

The Audit and Risk Management Committee reviews its effectiveness by assessing its operation and constitution against good practice guidelines issued by the National Audit Office. It also benchmarks itself against practice in sister organisations, through discussions between the Chair of the Audit and Risk Management Committee and his counterparts.

An annual Learning and Development Plan is agreed for the Audit and Risk Management Committee each year to help ensure that Committee members have the knowledge and skills to perform their role effectively and maintain a focus on continuous improvement.

The Audit and Risk Management Committee reviews the effectiveness of the Commission's internal control mechanisms, including receiving and approving internal audit plans and reports, approving the Commission's Financial Procedures Manual and significant changes to it. The Committee also oversees the risk management framework and reporting to the Commission on the effectiveness of activities to manage the occurrence or impact of identified risks. The Committee furthermore reviews all international travel undertaken by Commissioners and staff, expenses claims submitted by the Chief Commissioner and the Director, and

purchases over £1,000, with a particular focus on any contracts let by single tender action. As an additional reputational safeguard, the Chair of the Committee discharges the role of Authorising Officer for the Chief Commissioner's travel and expenses claims.

The Committee contributed an audit, risk management and value perspective to the development of the Commission's strategic and business plans, and of its policies across a range of issues including sickness, complaints and performance appraisal.

The Commission's Strategic Internal Audit Plan covered the period 2013-14. This focused audit activity on areas of greatest risk, and provided comprehensive assurance of the effectiveness of our system of internal control. The most recent audit took place in November 2013 and covered:

- Corporate Governance and Risk Management
- Budgetary Control and Management Information

This audit also followed up on recommendations arising from the previous internal audit that took place in 2012.

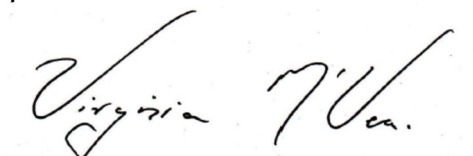
The internal audit concluded that the overall level of control within the Commission is satisfactory, and identified areas for further improvement, for which an action plan was agreed by the Commission's Audit and Risk Management Committee – progress in implementing the action plan is reported to each Committee meeting.

Commissioners now receive monthly reports on financial performance and audit activity, and regular updates on the risk register.

Internal audit for the period gave an assurance rating of satisfactory across the systems examined, being:

- Corporate Governance and Risk Management
- Budgetary Control and Management Information

There are no significant internal control issues within the Commission at present.

A handwritten signature in black ink, appearing to read 'Virginia McVea', is written over a faint, light-colored circular stamp or watermark.

Virginia McVea
Accounting Officer

Date: 24 June 2014

The Certificate and Report of the Comptroller and Auditor General to the Houses of Parliament

I certify that I have audited the financial statements of Northern Ireland Human Rights Commission for the year ended 31 March 2014 under the Northern Ireland Act 1998. These comprise the Statement of Comprehensive Net Expenditure, the Statement of Financial Position, the Statement of Cash Flows, the Statement of Changes in Taxpayers' Equity and the related notes. These financial statements have been prepared under the accounting policies set out within them. I have also audited the information in the Remuneration Report that is described in that report as having been audited.

Respective responsibilities of the Commission, Accounting Officer and auditor

As explained more fully in the Statement of Accounting Officer's Responsibilities, the Commission and the Accounting Officer are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. My responsibility is to audit, certify and report on the financial statements in accordance with the Northern Ireland Act 1998. 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 Financial Statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Northern Ireland Human Rights Commission's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Northern Ireland Human Rights Commission; and the overall presentation of the financial statements.

In addition I read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by me in the course of performing the audit. If I become aware of any apparent material misstatements or inconsistencies I consider the implications for my certificate.

I am required to obtain evidence sufficient to give reasonable assurance that the expenditure and income reported in the financial statements have been applied to the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Opinion on Regularity

In my opinion, in all material respects the expenditure and income have been applied to the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Opinion on financial statements

In my opinion:

- the financial statements give a true and fair view of the state of Northern Ireland Human Rights Commission's affairs as at 31 March 2014 and of its net expenditure for the year then ended; and
- the financial statements have been properly prepared in accordance with the Northern Ireland Act 1998 and Secretary of State directions issued thereunder.

Opinion on other matters

In my opinion:

- the part of the Remuneration Report to be audited has been properly prepared in accordance with Secretary of State directions issued under the Northern Ireland Act 1998; and
- the information given in the Chief Commissioner's Foreword and Management Commentary for the financial year for which the financial statements are prepared is consistent with the financial statements.

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:

- adequate accounting records have not been kept; or
- the financial statements and the part of the Remuneration Report to be audited are not in agreement with the accounting records or returns; or
- I have not received all of the information and explanations I require for my audit; or
- the Governance Statement does not reflect compliance with HM Treasury's guidance.

Report

I have no observations to make on these financial statements.

Sir Amyas C E Morse
Comptroller and Auditor General

Date: 30 June 2014

National Audit Office
157–197 Buckingham Palace
Road
Victoria
London
SW1W 9SP

Financial Statements for the Year Ended 31 March 2014

Statement of Comprehensive Net Expenditure for the year ended 31 March 2014

	Notes	2014 £	2013 £
Expenditure			
Staff costs	3	939,221	845,815
Other Operating costs	4	721,881	635,408
Depreciation	4	37,981	49,457
Net (upward)/downward revaluation (credited)/charged to General Reserve	4	1,694	(1,073)
Total expenditure		1,700,777	1,529,607
Income			
Other income	5	(306,926)	(108,501)
Total income		(306,926)	(108,501)
Net expenditure		1,393,851	1,421,106
Interest payable		0	0
Net expenditure after interest		1,393,851	1,421,106
Total Comprehensive Expenditure for the year ended 31 March		1,393,851	1,421,106

All amounts above relate to continuing activities.

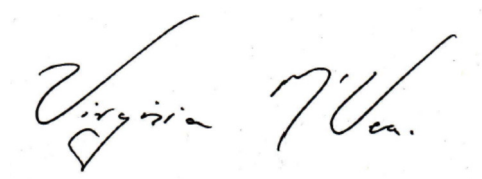
The notes on pages 51 to 64 form part of the financial statements.

Statement of Financial Position as at 31 March 2014

		31 March 2014		31 March 2013	
	Notes	£	£	£	£
Non-current assets:					
Property, plant and equipment	6		40,824		78,298
Intangible	7		<u>6,635</u>		<u>4,516</u>
Total non-current assets			47,459		82,814
Current assets:					
Trade and other receivables	9	113,223		35,584	
Cash and cash equivalents	10	<u>332,141</u>		<u>364,883</u>	
Total current assets			445,364		400,467
Total assets			<u>492,823</u>		<u>483,281</u>
Current liabilities:					
Trade and other payables	11		(239,535)		(305,980)
Provisions - other	12		(115,000)		0
Provisions - legal	12		<u>(2,184)</u>		<u>(61,346)</u>
Total current liabilities			(356,719)		(367,326)
Total assets less current liabilities			136,104		115,955
Non-current liabilities:					
Provisions - legal	12		(39,784)		(39,784)
Assets less liabilities			<u>96,320</u>		<u>76,171</u>
Taxpayers Equity					
General reserve			<u>96,320</u>		<u>76,171</u>
			<u>96,320</u>		<u>76,171</u>

The notes on pages 51 to 64 form part of the financial statements.

The financial statements on pages 47 to 64 were approved by the Commission on 16 June 2014 and were signed on its behalf by:



Virginia McVea
Accounting Officer

Date: 24 June 2014

Statement of Cash Flows for the Year Ended 31 March 2014

	Notes	2014 £	2013 £
Cash flows from operating activities			
Net Expenditure after interest		(1,393,851)	(1,421,106)
Decrease/(increase) in trade and other receivables	9	(77,639)	(16,762)
Increase/(decrease) in trade payables	11	(66,445)	(7,307)
Depreciation and Amortisation	4	37,981	49,457
Net (upward)/downward property revaluation	4	1,694	(1,073)
Use of provisions	12	(59,162)	(296,609)
Provision provided for in-year	12	115,000	33,240
Net cash outflow from operating activities		<u>(1,442,422)</u>	<u>(1,660,160)</u>
Cash flows from investment activities			
Purchase of property, plant and equipment		0	(1,873)
Purchase of intangible assets		(4,320)	(6,605)
Net cash outflow from investing activities		<u>(4,320)</u>	<u>(8,478)</u>
Cash inflow from financing activities		1,414,000	1,540,600
Net cash outflow from financing activities		<u>1,414,000</u>	<u>1,540,600</u>
Net increase/(decrease) in cash and cash equivalents in the period	10	<u>(32,742)</u>	<u>(128,038)</u>
Cash and cash equivalents at the beginning of the period	10	<u>364,883</u>	<u>492,921</u>
Cash and cash equivalents at the end of the period	10	<u>332,141</u>	<u>364,883</u>

The notes on pages 51 to 64 form part of the financial statements.

Statement of Changes in Taxpayers' Equity for the Year Ended 31 March 2014

	General Reserve	Total Reserves
Balance at 31 March 2012	43,323	43,323
Comprehensive Expenditure for the year	(1,421,106)	(1,421,106)
	<hr/>	
Grant-in-aid from NIO	1,540,600	1,540,600
Balance at 31 March 2013	76,171	76,171
	<hr/>	
Changes in taxpayers' equity for 2013-14		
Comprehensive Expenditure for the year	(1,393,851)	(1,393,851)
	<hr/>	
Grant-in-aid from NIO	1,414,000	1,414,000
Balance at 31 March 2014	96,320	96,320

The notes on pages 51 to 64 form part of the financial statements.

Notes to the Financial Statements for the Year Ended 31 March 2014

1a. Statement of accounting policies

The financial statements have been prepared in accordance with the Government Financial Reporting Manual (FReM) for 2011-12, issued by HM Treasury. The accounting policies contained in the FReM apply International Financial Reporting Standards (IFRS), as adapted or interpreted for the public sector context. Where the FReM permits a choice of accounting policy, the accounting policy which is judged to be most appropriate to the particular circumstances of the Northern Ireland Human Rights Commission for the purpose of giving a true and fair view has been selected. The particular policies adopted by the Northern Ireland Human Rights Commission for the year ending 31 March 2014 are described below. They have been applied consistently in dealing with items that are considered material to the accounts.

1.1 Accounting convention

The financial statements have been prepared in accordance with the historical cost convention, modified to account for the revaluation of property, plant and equipment.

The accounts comply with the accounting standards issued or adopted by the Accounting Standards Board, FReM and accounting and disclosure requirements issued by HM Treasury.

1.2 Critical accounting estimates and key judgements

The preparation of financial statements in conformity with IFRS requires the use of accounting estimates and assumptions. It also requires the Commission to exercise judgement in the process of applying the accounting policies. We continually evaluate our estimates, assumptions and judgements based on available information and experience. As the use of estimates is inherent in financial reporting, actual results could differ from these estimates. The estimates and assumptions which have the most significant risk of causing a material adjustment to the carrying amounts of assets and liabilities are discussed below.

(i) Depreciation of property, plant and equipment

Depreciation is provided in the accounts so as to write-down the respective assets to their residual values over their expected useful lives and as such the selection of the estimated useful lives and the expected residual values of the assets requires the use of estimates and judgements. Details of the estimated useful lives are as shown in Note 1.7.

(ii) Impairment of property, plant and equipment

Where there is an indication that the carrying value of items of property, plant and equipment may have been impaired through events or changes in circumstances, a review will be undertaken of the recoverable amount of that asset.

(iii) Provisions

The Commission provides for legal or constructive obligations which are of uncertain timing or amount at the reporting date on the basis of the best estimate of the expenditure required to settle the obligation.

1.3 Accounting standards, interpretations and amendments to published standards adopted in the year ended 31 March 2014

The Commission has reviewed the standards, interpretations and amendments to published standards that became effective during 2013-14 and which are relevant to its operations. The Commission considers that the adoption of these standards has not had a significant impact on its results or financial position.

1.4 Accounting standards, interpretations and amendments to published standards not yet effective

The Commission has not adopted any Standards or Interpretations in advance of the required implementation dates. It is not expected that any standards or interpretations that have been issued by the International Accounting Standards Board but have not been adopted will have a material impact on the financial statements.

1.5 Income

Other income is received from contributions to joint research and other projects, including grant income from other sources, and is credited to the Statement of Comprehensive Net Expenditure as Other Income.

The Atlantic Philanthropies programme of work on education is made up of deferred income from 2012-13 and income received during 2013-14. Any balance remaining at year-end is deferred and will be used in the programme of work in 2014-15.

1.6 Grant-in-aid

Grant in aid is credited directly to the General Reserve as it is regarded as contributions from a controlling party which gives rise to a financial interest in the residual interest in the Commission.

1.7 Property, plant and equipment and depreciation

Property plant and equipment comprises leasehold improvements to Temple Court, fixtures and fittings and information technology equipment at fair value.

Items of property, plant and equipment are capitalised if they are intended for use on a continuous basis and their individual original purchase cost is £1,000 or more. Items with an individual cost of less than £1,000 but, when taken together, represent a significant investment will be grouped.

Leasehold improvement expenditure has been capitalised and is restated at current cost using professional valuations. Valuations are carried out annually using indices compiled by the Office for National Statistics, and every third year by professional external valuers employed by the Land and Property Services (Valuations) in accordance with the Appraisal and Valuation Manual prepared and published by the Royal Institution of Chartered Surveyors, as at 31 March. The last valuation was carried out in October 2010.

Any surplus/loss on revaluation is treated as follows:

- Unrealised surplus arising from revaluation of property, plant and equipment is credited to the Revaluation Reserve unless it reverses a revaluation decrease of the same asset previously charged to the Statement of Comprehensive Net Expenditure;
- Losses arising from the revaluation of property, plant and equipment are debited to the Revaluation Reserve to the extent that gains were recorded previously, and otherwise to the Statement of Comprehensive Net Expenditure.

All property, plant and equipment are reviewed annually as part of an inventory check against the Commission's asset register.

All other property, plant and equipment is valued on the basis of historical cost less depreciation as an approximation of fair value due to short life or low value of the individual assets.

Depreciation is provided on a straight line basis at rates calculated to write-off the cost less estimated residual value of each asset over its expected useful life. The estimated useful lives for depreciation purposes are:

Leasehold improvements:	10 years (or the life of the lease, whichever is least)
Computer equipment:	3 years
Fixtures, fittings and equipment:	5 years

1.8 Intangible Assets

Purchased computer software licences and website development are capitalised as intangible assets where expenditure of £1,000 or more is incurred and are depreciated on a straight line basis over three years.

1.9 Operating leases

Rentals payable under operating leases are charged against the Statement of Comprehensive Net Expenditure on a straight line basis over the lease term.

1.10 Finance leases

Finance leases are valued using the net present value of future lease payments using real rate of interest set by HM Treasury (currently 3.5 per cent).

The Commission do not currently have any finance leases.

1.11 Pensions

Past and present employees are covered by the provisions of the Principal Civil Service Pension Schemes (PCSPS) which are described in Note 3. The defined benefit schemes are unfunded and are non-contributory except in respect of dependants' benefits. The Commission recognises the expected cost of these elements on a systematic and rational

basis over the period during which it benefits from employees' services by payment to the PCSPS of amounts calculated on an accruing basis. Liability for payment of future benefits is a charge on the PCSPS. In respect of the defined contribution schemes, the Commission recognises the contributions payable for the year.

Separate arrangements were in place for the former Chief Commissioner's pension scheme, which was not part of PCSPS, in that 16% pension contributions were made to the University Superannuation Scheme.

1.12 Value Added Tax

The Commission is ineligible to reclaim input VAT on expenditure. Therefore, all expenditure is inclusive of VAT.

1.13 Legal casework expenditure

Section 70 of the Northern Ireland Act 1998 enables the Commission to support legal cases in relation to the protection of human rights. Some of these cases can span several years.

In some cases, costs are recoverable from the respondent if the applicant is successful. Given this, while the Commission decides to support cases, contingent on the outcome, payments are not normally made until judgment is passed, and the judge decides on a cost order (ie whether the 'losing' side should pay all costs or each side should bear their own costs). Given that a criterion for Commission support is whether a case has a 'reasonable chance of success', it does not expect to incur costs in many cases. However, cases can be lost. In these cases, it is possible that the applicant could be asked to pay the respondent's costs. Where this happens, the Commission may pay these costs on behalf of the applicant. Any such potential liabilities are noted in the financial statements as contingent liabilities or provisions.

1.14 Staff costs

Under IAS19 Employee Benefits legislation, all staff costs must be recorded as an expense as soon as the Commission is obligated to pay them. This includes the cost of any untaken leave as at the year-end.

2. Analysis of net expenditure by segment

In line with the provisions of IFRS 8, Operating Segments, the Commission does not analyse its net expenditure by operating segment as it has concluded that it has no separately identifiable operating segments. This conclusion is based on the Commission's current system / format of internal management reporting to the Board, who consider financial performance at whole organisation level.

3. Staff numbers and related costs

	2013-14 total	Commissioners	Permanently employed staff	Others	2012-13 total
	£	£	£	£	£
Wages and salaries	772,374	120,574	568,100	83,699	680,894
Social security costs	54,662	8,615	41,903	4,144	54,515
Other pension costs	112,186	5,764	95,789	10,633	110,406
Total staff costs	939,221	134,953	705,792	98,477	845,815

Details of the pension contributions of £5,764 payable in respect of Commissioners (2012-13: £10,013) are described in the Remuneration Report.

The Commission's staff are covered by the Principal Civil Service Pension Scheme (PCSPS). PCSPS is an unfunded multi-employer defined benefit scheme but the Commission is unable to identify its share of the underlying assets and liabilities. The scheme actuary valued the scheme as at 31 March 2007. Details can be found in the resource accounts of the Cabinet Office: Civil Superannuation (www.civilservice.gov.uk/my-civil-service/pensions).

For 2013-14, employers' contributions of £106,422 were payable to PCSPS (2012-13: £100,496) at one of four rates in the range 16.7 per cent to 21.8 per cent of pensionable pay, based on salary bands. The Scheme Actuary reviews employer contributions usually every four years following a full scheme valuation. The contribution rates are set to meet the cost of the benefits accruing during 2013-14 to be paid when the member retires and not the benefits paid during this period to existing pensioners.

Employees can opt to open a partnership pension account, a stakeholder pension with an employer contribution. There were no employers' contributions made to one or more of the panel of three appointed stakeholder pension providers (2012-13: £224). Employer contributions are age-related and range from 3 per cent to 12.5 per cent of pensionable pay. Employers also match employee

contributions up to 3 per cent of pensionable pay. There were no additional employer contributions at 0.8 per cent of pensionable pay, payable to PCSPS to cover the cost of the future provision of lump sum benefits on death in service and ill-health retirement of these employees (2012-13: £12).

The expected employer pension contributions to the Principal Civil Service Pension Scheme for 2014-15 is £111,500.

As the Commission only has 19 members of staff and the pension scheme is a civil service-wide scheme, the level of contribution is minimal.

There was no staff who retired early on ill-health grounds during 2013-14.

Average number of persons employed

The average number of whole-time equivalent persons employed during the year was as follows:

	2013-14 total	Commissioners	Permanently employed staff	Others	2012-13 total
Directly employed	19.0	1.0	15.0	3.0	19.0
Other	5.0	0.0	3.0	2.0	2.0
Total	24.0	1.0	18.0	5.0	21.0

Reporting of Civil Service and other compensation schemes – exit packages

The total number of exit packages in 2013-14 were as follows:

- Three voluntary redundancy payments, one of £10-£15k, one of £15-£20K and one of £25-£30k; and three compensation in lieu of notice payments, two of £0-£5k and one of £5-£10k.

The redundancy payments of £61k were accrued and provided for in 2013-14.

There were no exit packages in 2012-13.

4. Other expenditure

	2014	2013
	£	£
Accountancy fees	(446)	1,032
Advertising, publicity and publications	38,720	44,458
Auditor's (NAO) remuneration	12,000	12,000
Atlantic Philanthropies Education Project	164,575	86,303
Building maintenance and expenses	20,880	27,614
Conferences and seminars	4,223	20,495
Education	1,272	0
Insurance	6,207	8,004
Internal audit	13,884	4,408
Investigations	63,902	60,601
IT	20,918	47,275
Legal casework (non-recoverable)	11,211	42,842
Light and heat	19,115	22,833
Other expenses	839	848
Printing, postage and stationery	15,443	12,867
Professional fees	13,689	32,816
Rates	42,420	45,593
Rentals under operating leases	207,974	101,468
Rental for car park	2,004	1,995
Staff training and recruitment	25,649	14,604
Telephone	9,485	9,170
Travel, subsistence and hospitality	27,917	38,182
	<u>721,881</u>	<u>635,408</u>
Non-Cash Items:		
Depreciation and Amortisation	37,981	49,457
Net (upward) revaluation on property	1,694	(1,073)
	<u>761,556</u>	<u>683,792</u>

5. Income

The Commission spent £164,575 of the £221,823 total income received from The Atlantic Philanthropies for a programme of work on Education (£21,823 deferred income and £200,000 received during 2013-14) (2012-13 £88,177). The balance of £57,248 has been deferred and will be used in the programme of work in 2014-15.

The Commission also has recognised income from other sources as follows:

- £53,352 Part of a service level agreement with the Northern Ireland Ombudsman Office
- £11,000 Contributions towards the City of Culture event in Derry/Londonderry (£5,000 from the Arts Council for Northern Ireland and £6,000 from the Atlantic Philanthropies)

£4,000	Contribution from the University of Nottingham towards a training programme for a delegation from Bahrain
£44,000	Departmental Solicitor's Office
£30,000	Service level agreement with the Health and Social Care Board

6. Property, plant and equipment

2013-14	Leasehold Improvements	Information technology	Furniture & fittings	Education Project IT	Total
Cost or valuation	£	£	£	£	£
At 1 April 2013	180,703	146,539	197,093	1,874	526,209
Additions	0	0	0	0	0
Disposals	0	(90,286)	(10,889)	0	(101,175)
Revaluation	(3,385)	0	0	0	(3,385)
At 31 March 2014	177,318	56,253	186,204	1,874	421,649
Depreciation					
At 1 April 2013	109,222	143,049	195,259	381	447,911
Charged in year	31,309	2,210	1,637	624	35,780
Disposals	0	(90,286)	(10,889)	0	(101,175)
Revaluation	(1,691)	0	0	0	(1,691)
At 31 March 2014	138,840	54,973	186,007	1,005	380,825
Net book value at 31 March 2014	38,478	1,280	197	869	40,824
Net book value at 31 March 2013	71,481	3,490	1,834	1,493	78,298
Asset financing:					
Owned	38,478	1,280	197	869	40,824
Finance leased	0	0	0	0	0
Net book value at 31 March 2014	38,478	1,280	197	869	40,824
2012-13					
Cost or valuation	£	£	£	£	£
At 1 April 2012	179,095	146,539	197,093	0	522,727
Additions	0	0	0	1,874	1,874
Disposals	0	0	0	0	0
Revaluation	1,608	0	0	0	1,608
At 31 March 2013	180,703	146,539	197,093	1,874	526,209
Depreciation					
At 1 April 2012	77,913	135,602	186,493	0	400,008
Charged in year	30,774	7,447	8,766	381	47,368
Disposals	0	0	0	0	0
Revaluation	535	0	0	0	535
At 31 March 2013	109,222	143,049	195,259	381	447,911
Net book value at 31 March 2013	71,481	3,490	1,834	1,493	78,298

Net book value at 31 March 2012	101,182	10,937	10,600	0	122,719
Asset financing:					
Owned	71,481	3,490	1,834	1,493	78,298
Finance leased	0	0	0	0	0
Net book value at 31 March 2013	71,481	3,490	1,834	1,493	78,298

7. Intangible Assets

	2013-14	2012-13
Cost or valuation	£	£
at 1 April	6,605	0
Additions	4,320	6,605
Disposals	0	0
Revaluation	0	0
at 31 March	10,925	6,605
Amortisation		
at 1 April	2,089	0
Charged in year	2,201	2,089
Disposals	0	0
Revaluation	0	0
at 31 March	4,290	2,089
Net book value at 31 March	6,635	4,516

8. Financial instruments

As the cash requirements of the Commission are met through grant-in-aid provided by the Northern Ireland Office, financial instruments play a more limited role in creating and managing risk than would apply to a non-public sector body. The majority of financial instruments relate to contracts to buy non-financial items in line with the Commission's expected purchase and usage requirements and the Commission is therefore exposed to little credit, liquidity or market risk.

The Commission has no powers to borrow or invest surplus funds and has limited year end flexibility. Financial assets and liabilities are generated by day-to-day operational activities and are not held to change the risks facing the Commission in undertaking activities.

Liquidity risk

The Commission is financed by grant-in-aid from the Northern Ireland Office and is accountable to Parliament through the Secretary of State for Northern Ireland and is not therefore exposed to significant liquidity risk.

Interest rate risk

All financial assets and financial liabilities of the Commission carry nil rates of interest and therefore the Commission is not exposed to significant interest rate risk.

Currency risk

The Commission does not trade in foreign currency and therefore has no exposure to foreign currency risk.

Fair values

The book value and fair value of the Commission's financial assets and financial liabilities as at 31 March 2013 are set out below:

	2013-14	2012-13
	Book Value/ Fair Value	Book Value/ Fair Value
	£	£
Financial assets		
Cash and cash equivalents	332,141	364,883

9. Trade receivables and other current assets

	2013-14	2012-13
	£	£
Amounts falling due within one year:		
Trade Receivables	46,536	16,253
Prepayments and accrued income	66,687	19,331
	113,223	35,584

10. Cash and cash equivalents

	2013-14	2012-13
	£	£
Balance at 1 April	364,883	492,921
Net change in cash and cash equivalent balances	(32,742)	(128,038)

Balance at 31 March	332,141	364,883
The following balances at 31 March were held at:		
Commercial banks and cash in hand	332,141	364,883
Balance at 31 March	332,141	364,883

11. Trade payables and other current liabilities

	2013-14	2012-13
	£	£
Amounts falling due within one year:		
Taxation and social security	20,076	20,671
Trade payables	8,958	14,641
Other payables	4,533	7,433
Accruals	148,720	241,412
Deferred income	57,248	21,823
	239,535	305,980

12. Provisions for liabilities and charges

	2013-14	2013-14	2013-14	2012-13	2012-13	2012-13
	£	£	£	£	£	£
	Legal	Other	Total	Legal	Other	Total
Balance at 1 April	101,130	0	101,130	237,831	126,668	364,499
Provided in the year	0	115,000	115,000	33,240	0	33,240
Provision utilised in the year	(59,163)	0	(59,163)	(169,941)	(126,668)	(296,609)
Balance at 31 March	41,967	115,000	156,967	101,130	0	101,130

The provision for legal casework costs is estimated and is based on the maximum anticipated costs, however it is possible these costs could be less.

The total legal provisions for the year are £41,967 of which £39,784 is non-current legal provisions and £2,183 is current legal provisions. The timing of the expenditure is uncertain in relation to the provisions for legal work around consultation by the Northern Ireland Housing Executive along with other developments within that body which has to be taken into consideration. Further opinions from Counsel also had to be secured. Additionally work around the right to life has been considered under this

financial heading and the inquests to which this relates remain a significant litigious issue.

The total other provisions for the year are for potential reinstatement/dilapidation costs to the office building.

13. Commitments under leases

13.1 Operating leases

Total future minimum lease payments under operating leases are given in the table below for each of the following periods.

	2013-14	2012-13
	£	£
Buildings		
Not later than one year	98,160	109,440
Later than one year and not later than five years	0	98,160
Later than five years	0	0
	<hr/>	<hr/>
	98,160	207,600
Other		
Not later than one year	706	1,060
Later than one year and not later than five years	0	706
	<hr/>	<hr/>
	706	1,766

13.2 Finance leases

The Commission does not have any finance leases.

14. Contingent liabilities disclosed under IAS 37

The Commission has allowed for potential legal costs. The extent of the Commission's liabilities, if any, in respect of these matters are not known and it is not possible to quantify the liabilities.

15. Capital Commitments

The Northern Ireland Human Rights Commission does not have any capital commitments.

16. Related-party transactions

The Commission is a non-departmental public body sponsored by the Northern Ireland Office (NIO).

The NIO is regarded as a related party. During the year the Commission had various transactions with NIO, associated with the receipt of grant-in-aid.

In addition the Commission has had various transactions with other Government departments.

None of the Commissioners, Management Team or other related parties has undertaken any material transactions with the Commission during the year.

17. Intra-government balances

	2013-14	2012-13
Receivables	£	£
Balances with central government bodies	0	16,253
Balances with local authorities	1,222	0
Total intra-government balances	1,222	16,253
Balances with bodies external to government	112,001	19,931
Total	113,223	35,584
Payables		
Balances with central government bodies	32,523	86,617
Balances with local authorities	0	1,296
Total intra-government balances	32,523	87,913
Balances with bodies external to government	207,012	218,067
Total	239,535	305,980

All of the above intra-government balances are due within one year.
All balances falling due after more than one year are with bodies external to government.

18. Events after the reporting period

There have been no significant events since the end of the financial year which would affect the results for the year or assets and liabilities at the year-end.

The Annual Report and Accounts are authorised for issue on the same date as the Comptroller and Auditor General signed the audit certificate.