

Independent Commission for Reconciliation and Information Recovery

Annual Report and Accounts 2025-26
For the period 1 April 2025 to 31 March 2026



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Presented to Parliament pursuant to para 6(4) of Schedule 1 to the
Northern Ireland Troubles (Legacy and Reconciliation) Act 2023

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Foreword by Chief Commissioner

The publication of our third Annual Report and Accounts comes following a period of considerable reflection. Throughout this period, our priority has remained clear: to provide independent, thorough investigations centred on the needs of victims, survivors and families. We remain acutely aware of the personal significance of every Requesting Individual's case.

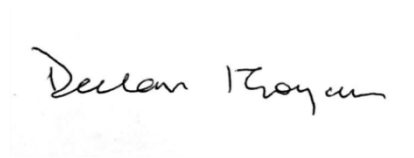
Yet we continue to operate under significant external constraints. These include unresolved resource pressures impacting the progression of our caseload, delays to the passage of new legislation fostering uncertainty, and limitations on information sharing from the Irish authorities pending new arrangements. To enable the Commission to achieve its intended impact, these constraints must be alleviated. I sincerely hope that we will soon see progress on these wider dependencies, so that the Legacy Commission is best equipped to deliver the outcomes that victims and survivors have waited so long to see.

Despite these challenges, it is encouraging to report that the Commission continues to see case numbers increasing. As of 31 August 2026, the Commission has 238 cases, with 142 live investigations. I am pleased that Requesting Individuals who are engaging with the Commission have found, overall, their experience to be a positive one. This reflects the hard work and dedication of individuals and teams, and their continued focus on effective delivery and the pursuit of the unvarnished truth.

The advancement on external issues we wish to see must also be met with internal improvement. In January 2026, the Commission's Board initiated a Corporate Effectiveness and Cultural Health Review. This exercise was undertaken jointly with the Northern Ireland Office and emerged from the desire to confront issues openly and take responsibility for addressing any shortcomings. I am grateful to those amongst the Commission's staff who met with the reviewer to express their views.

Regrettably, the Review found that aspects of the Commission's internal culture had fallen short. I remain unequivocal that operational pressure or resource constraints cannot excuse such failings. It is now incumbent on Commissioners and senior colleagues to demonstrate leadership in embedding our shared values and creating the conditions for sustained improvement, ensuring that our behaviours consistently reflect the high standards we expect. The Board have accepted all recommendations and are collectively committed to implementing them in letter and in spirit.

Ultimately, confidence in the Commission will be built through our delivery. The work will always be highly sensitive, and it is incumbent on us that outputs are based on a robust, thorough process that recognises the needs of our Requesting Individuals. Considerable progress has been made in this respect, and as the Commission's operations mature, our focus is now on building momentum and the production of high-quality outputs that can build the confidence of victims, survivors, families, and the wider public.

A handwritten signature in black ink, reading "Declan Morgan". The signature is written in a cursive, flowing style. Below the signature, there is a faint, light blue rectangular stamp or watermark.

Sir Declan Morgan

Chief Commissioner

Chief Executive Officer's introduction

This Annual Report and Accounts for 2025–26 sets out a year of hard work, significant pressure, and important lessons for the organisation. Despite the challenges that have been faced, it is important to note that staff have continued to work with commitment and determination to deliver against our objectives. In presenting the document I want to acknowledge the dedication they have demonstrated in what is a complex operational environment.

In addition to the areas of strategic importance outlined in the Commission's annual work plan for 2026–27, our immediate priorities for the coming months will be those identified in response to the Corporate Effectiveness and Cultural Health Review. Our focus will be on ensuring that the operational performance of the Commission enables the publication of high-quality reports for Requesting Individuals as quickly as possible; building on previous work to embed a healthy organisational culture with an emphasis on collaboration, meaningful engagement, and a willingness to listen and improve; and strengthening governance and financial practices to ensure delivery, assurance and independence are embedded within the Commission's accountability framework.

In closing, can I thank our staff for their work over the past year and in doing so also acknowledge the help and support we have received from so many others on whom we depend. Most importantly I want to recognise and thank the increasing number of individuals and families who are approaching the Commission for putting their confidence and trust in us.

A handwritten signature in dark ink, reading "Ronnie Armour". The signature is written in a cursive, flowing style.

Ronnie Armour, CBE

Interim Chief Executive Officer

Performance report

Performance overview

Our purpose

The Independent Commission for Reconciliation and Information Recovery (ICRIR) (the Commission) was established to provide answers for those impacted by deaths and serious injuries related to the Troubles/Conflict.

The Commission works to carry out investigations into deaths and other harmful conduct that formed part of the Troubles/Conflict and produce a report on the findings of each investigation.

The Commission also has powers to refer deaths and other harmful conduct to prosecutors and is required to produce a record of deaths that were caused by conduct forming part of the Troubles/Conflict.

The Commission's remit is limited to events and conduct that related to Northern Ireland affairs and occurred during the period beginning 1 January 1966 and ending 10 April 1998.

Since it was established in December 2023, the Commission has embraced an approach that places victims, survivors and families at the centre of our work, ensuring that their needs are recognised and understood.

Our commitment to three core principles is embedded at all levels of the organisation:

- **Compliance with the European Convention on Human Rights (ECHR)**—ensuring that all investigations and operations adhere to the standards set by the ECHR. This includes those that pre-date 1990.
- **Respect for the principles of the 1998 Belfast/Good Friday Agreement**—upholding the agreements and understandings established in this crucial document.
- **Focus on providing useful information to those affected by the Troubles/Conflict**—prioritising delivering meaningful and relevant information to victims, survivors, and their families.

Our vision, mission and values

Vision

A society that is more reconciled because the Commission has provided greater information to the public about deaths and serious injuries during the Troubles/Conflict.

Mission

An independent Commission committed to serving victims, families, and survivors by thoroughly investigating and establishing the facts of past events, to provide an acknowledgement of the wrongdoing, in a way that is sensitive to the trauma experienced and assists with the promotion of reconciliation.

Values

The Commission's Code of Conduct was published in December 2023 and sets out the values the Commission has adopted to guide its work: integrity, impartiality, openness, accountability, and respect. They are the standards of behaviour that can be expected of Commissioners, officers, and others working on behalf of the Commission. These values, and how they should be interpreted by those that the Code of Conduct applies to, are outlined below.

- **Integrity**—Putting the obligations of public service above your own personal interests. Acting in line with other applicable professional obligations and standards.
- **Impartiality**—Behaving in a fair and objective manner, treating all equally, remaining open minded and taking decisions based on evidence.
- **Openness**—Being truthful and straightforward in your communications and your engagement while respecting confidences and keeping information safe.
- **Respect**—Treating everyone with whom you interact with courtesy, irrespective of their background or beliefs. Engaging in constructive, respectful and professional dialogue even in the case of differing opinions.
- **Accountability**—Operating within legal requirements, including the European Convention on Human Rights, the Equality Act 2010 and equivalent equality legislation in Northern Ireland, the requirements of the Northern Ireland Troubles (Legacy and Reconciliation) Act 2023, and within the objectives and policies of the Commission. Being willing to justify decisions, actions and omissions.

Legislative and legal developments

The Commission was established under the Northern Ireland Troubles (Legacy and Reconciliation) Act 2023 (the Act). In its 2024 manifesto, the Labour government committed to repealing and replacing the Act. The Commission welcomes any reform that strengthens confidence in our work and enhances our capability to deliver for victims, survivors, and families of the Troubles/Conflict.

The Commission also welcomed the clarity provided by the completion of a joint framework agreement between the United Kingdom and Ireland in September 2025. The Northern Ireland Troubles Bill 2025 (the Bill) was introduced to the UK Parliament on 14 October 2025, and at the time of drafting it is awaiting its committee stage in the House of Commons. The Bill contains provisions to reform the governance and functions of the ICRIR, which will continue in existence, but will be renamed the Legacy Commission.

We believe that both the joint framework agreement and the Bill hold much potential to improve the existing arrangements to meet the needs of victims, survivors and their families.

The Bill will reform and strengthen the independence, accountability and powers of the Commission. It will require development of new structures, governance arrangements, policies and processes to support our transition from the ICRIR to the Legacy Commission. The Bill also provides for Inquisitorial Proceedings, a specific Article 2 ECHR compliant mechanism that will hear and determine legacy inquests that could not proceed under the coronial system.

Sustainable government resourcing throughout the lifetime of the Commission's work is vital for successful delivery.

In May 2026, after an examination of our independence and ability to carry out investigations in compliance with Article 2, the UK Supreme Court found that the test as to whether Article 2 is satisfied is to be judged at the end of the process. We are confident that we are continuing to carry out Article 2 compliant investigations.

Further legislative developments are awaited in 2026–27, which will impact on how the Commission operates. This includes the remedial order pursuant to the Human Rights Act 1998 laid before Parliament on 4 December 2025. When implemented, this will restore the right to initiate civil proceedings arising from conduct arising during the Troubles/Conflict. Material held and generated by the Commission could be admissible as evidence in such proceedings.

Our structure

The Commission is governed by statutory provisions to ensure accountability and independence.

The Board of Commissioners is our primary governing body, chaired by the Chief Commissioner, Sir Declan Morgan. The Board has collective responsibility for setting the strategic direction of the Commission to enable the delivery of our statutory functions. The Board is supported by its sub-committees, the People Committee, Investigative Oversight Committee, and Audit and Risk Committee.

The Commission Leadership Team (CLT) provides strategic advice to the Board and is responsible for delivering the Commission's vision by overseeing the organisation's overall performance and delivery. Further details of our governance structure can be found in the governance statement on page 40.

Our operational delivery is undertaken by two distinct directorates: the Investigations directorate, overseen by the Commissioner for Investigations; and the Reports and Findings directorate, overseen by the Chief Commissioner. This work is enabled and supported by colleagues in the Finance and Corporate Services, People and Culture, Commission Secretariat, General Counsel, and Strategic Communications directorates which sit within the remit of the Chief Executive Officer.

In tandem with developments in the legislative space, we continue to retain focus on strengthening our ability to deliver a high-quality service for Requesting Individuals, whilst preparing for changes to the Commission's governance structures and the commencement of new powers. We are committed to continuous improvement by enhancing our current processes, in addition to preparing for the Legacy Commission, including the transition of existing cases into any new arrangements.

As detailed in our 2026–27 work plan, The Commission's overriding and all-encompassing focus is on the Requesting Individuals whom we serve. Our Trauma and Resiliency Informed Model (TRIM) will remain at the centre of the Commission's approach.

Our investigations

There are three types of investigation that the Commission may carry out: focused (these are focused on answering the questions the Requesting Individual has raised), culpability (where as well as addressing the Requesting Individual's questions the investigation will seek to establish all the details of the death or other harmful conduct) and liability (where there is a possibility of prosecution). More information about each type of investigation is available on the Commission's

website.¹ The Commissioner for Investigations, informed by the Investigations directorate, decides which type of investigation is most appropriate for each case.

Three stages of an investigation

Stage one: Support

This is the start of an individual's journey with the Commission.

Dedicated Case Support Workers within the Investigations directorate help individuals and families better understand how the Commission may be able to help them (and what it will not be able to do), the different options available to them, and the information the Commission will need to move to the next stage.

While this is the first stage of the journey, that support is available throughout the entire process. Case Support Workers provide a single point of contact and consistent, objective support for the Requesting Individual and family throughout their time with the Commission.

Case Support responds to any questions and provides people with the space, time and information to make decisions that are right for them and the information recovery outcomes they seek.

Stage two: Information Recovery

In this next stage, a team of investigators gather information and evidence and seek to answer the questions the Requesting Individual and family have raised.

The team has a range of skill sets, to comb through archives, interview witnesses, and secure evidence. Investigators work across a range of different cases at any one time to maximise progress and efficiency.

Each investigation is overseen by a Senior Investigative Officer. Investigators are able to require access to all material from any previous fact-finding and determination processes, as well as all material held by the state, no matter how sensitive.

They may also undertake new investigative work. The Investigations directorate follow defined terms of reference for each investigation, which will start with a scoping exercise, based on an approach to cold case reviews that follows internationally recognised best practice. This informs the Commissioner for Investigations' decision on which of the three investigative routes will be most appropriate for the case.

¹ [Our investigations](#)

All three routes will embed the features required for an ECHR compliant investigation.

Stage three: Findings

The Chief Commissioner is responsible for the production of reports at the conclusion of investigations. In this work, they are supported by the Reports and Findings directorate. A Reports and Findings Officer is assigned to each investigation from an early stage and independently challenges the direction of investigative work. As the investigation nears its conclusion, the Commissioner for Investigations and their team present their evidence to the Chief Commissioner who assess and evaluate it to determine findings.

Further investigative work may be requested. Reports will be produced to record the findings that have been made and to seek to address the Requesting Individual's questions.

The Chief Commissioner will provide the opportunity for an eligible person to make a personal statement to be published alongside the final report. Personal statements can be made by individuals to share how Troubles/Conflict-related events have affected, and continue to affect them or any other relevant persons.

Once reports have been drafted, they will be shared with Requesting Individuals and relevant family members who have 30 days to make representations on it. If a report criticises any individual or public authority the report must also be shared with them in advance of publication and they once again have 30 days to make representations.

Our 2025–26 priorities

The Board agreed thirteen priority actions for 2025–26. These were outlined in the 2025–26 annual work plan.

Progress towards the priority actions has been monitored and assessed during 2025–26 through quarterly reporting to the Board and Executive Leadership Team (now Commission Leadership Team) and is summarised in the table below.

Following the completion of an independent review into the corporate effectiveness and cultural health of the Commission in February 2026, additional priorities were identified and work has commenced to action each of the recommendations (see page 43).

More detailed information is available in the performance analysis section.

Progress towards priorities in 2025–26

The table below outlines the progress achieved against the milestones set out in our annual work plan for 2025–26.

Milestone	Update
Deliver our first Findings report and/or refer first cases for prosecution to relevant prosecutors.	The first completed investigations have passed to the Findings stage and are being progressed at pace. Following completion by the Reports and Findings team, the Commission expects that a number of reports will be in the representations process by the end of summer 2026.
Develop and implement Phase Two of our communications and engagement strategy to enhance public understanding of the Commission and to obtain regular feedback on public sentiment.	During 2025–26, the Commission maintained ongoing engagement with key stakeholders and delivered considerable media and communications activity. Insights were also gathered into broader public sentiment and will inform the Commission's future communications and engagement approaches.
Establish the strategy framework for long-term delivery of the Commission's statutory principal objective to promote reconciliation and statutory function to publish an historical record.	An update on promotion of reconciliation was published in May 2025. This included details of Commission's strategic framework, which is now in implementation, subject to continuous review. Early exploratory work regarding development of a historical record continued into 2025–26.
Deliver our second and third accountability updates in March and September 2025.	The Commission published its second accountability update in April 2025. Subsequent updates have been incorporated into the statutory reporting cycle.
Resource and enable the Information Recovery Team to investigate all circumstances of cases and address the questions	Building operational capability (including the Information Recovery team) was the focus of recruitment in 2025–26. Temporary accommodation was secured whilst works were ongoing at the permanent operational site throughout the reporting

Milestone	Update
raised by Requesting Individuals.	period. IT systems are developing in response to growth.
Enhance the operation of the Investigations Oversight Committee by continuous improvement of case management process.	A case sequencing model was developed to manage the investigative caseload and maximise available resources.
Accelerate recruitment and readiness of the Findings Team in order to produce reports in 2025–26.	Building the operational capability (including the Reports and Findings team) was the focus of recruitment activity in 2025–26. Significant preparatory work on processes, products and team training has been completed to enable delivery of the first Findings reports.
Continue to refine our approach to managing and forecasting our Annually Managed Expenditure.	In line with best practice, a Finance Committee, chaired by an Independent Chair has been established to provide enhanced oversight and scrutiny of financial budgets and forecasting.
Strengthen our recruitment, selection and onboarding activity for the Commission's staff and ongoing training so that they are highly skilled, demonstrate the Commission's values, and act with integrity.	The Commission implemented an applicant tracking system and developed talent pools to support increased recruitment and onboarding activity in 2025–26. Vetting policies were revised which has reduced but not eliminated delays with security clearances. Mandatory and bespoke training was developed and delivered across a range of functions.
Exercise our functions in compliance with the European Convention on Human Rights, deploying our professional legal skills and services with pragmatism, innovation, and collaboration.	A review of all operational policies was carried out during 2025–26, and operational manuals were updated as processes developed. In particular, the conflicts of interest policy was reviewed and updated, and awareness training was delivered to all Commission staff.
Lead the integration of TRIM across the Commission's work.	A comprehensive review of TRIM training was undertaken, resulting in the development of mandatory e-learning, refreshed Level 2 training, and bespoke training packages for specific

Milestone	Update
	Commission directorates. Listening conversations and TRIM supervisions were also introduced.
Provide high quality support to Requesting Individuals via Case Support across the lifetime of an investigation.	A review was completed of the Commission's independent emotional support service (IESS). Our safeguarding policy has been refreshed, with escalations and referrals to external agencies made where appropriate.
Explore the potential for principles used in mediation to assist with the resolution of questions from victims, survivors, and families.	Early work on mediation principles was completed but has been superseded by legislative developments, including provisions in the Northern Ireland Troubles Bill 2025 that will establish the new Independent Commission for Information Retrieval (ICIR).

Performance analysis

This section provides detailed information on how the Commission has performed against our priorities during 2025–26 and an overview of forward plans. It also includes information on how issues and risks have been identified and managed. Further detail on risk management processes is contained within the accountability report.

Credibility

Publications

During 2025–26, the Commission published over 50 corporate and operational documents.

In April 2025 the Commission published an accountability update. This detailed the number of Requesting Individuals, registered cases and investigations, and provided information on organisational developments. Subsequent updates were incorporated into the statutory reporting cycle, with the publication of the 2024–25 annual report in September and the 2024–25 Annual Report and Accounts in October 2025. The annual work plan was published in January 2026 and provides information on the Commission’s strategic priorities for the 2026–27 financial year. In line with equality obligations, the Commission has begun to publish equality screening on new and revised policies.

Other significant publications developed during 2025–26 include a simple yet comprehensive guide to the Commission and our services, and the Charter of expectations, commitments and agreements between the Commission and Requesting Individuals, published in June 2025.

The first completed investigations have now passed to the Reports and Findings team, with the first reports expected to be published before the end of summer 2026. Robust procedures have been developed to support the publication of reports. This has required close liaison between operational and corporate teams to ensure that processes adhere to the Commission’s TRIM approach, and that publication of reports is handled sensitively and appropriately.

Case study: Findings reports

A findings report will set out information on all the circumstances of an incident that caused a death or serious harm. Reports will also answer the specific questions that the Requesting Individual has asked the Commission to investigate or explain why it has not been possible to do so. Findings are determined by the Chief Commissioner on the balance of probabilities; this means that it is more likely than not that something happened.

Victims, survivors and families are central to our work, and we understand the significance of our reports to them and to other people affected by the incident. Each report contains a pen portrait, often including memories and recollections from family members.

Clarity and accessibility are essential. Reports are drafted in simple language, using short sentences and avoiding jargon. The team has undertaken a wide range of training to develop its approach and promote consistency across Findings reports. Final reports will be produced in a hard copy format for Requesting Individuals and can be adapted to meet accessibility needs. Digital, online formats will be published, accounting for digital accessibility requirements, such as the use of screen readers.

The moment of publication is likely to be a particularly important moment for Requesting Individuals, their wider family and others impacted by or connected to the event. We are keen to work with the Requesting Individual to provide a variety of approaches to publication that can be tailored around their views and preferences and that of wider family members. The Commission ensures that full support is provided before, during and after the report is published.

Communications and engagement

The Commission continues to maintain an ongoing dialogue with our stakeholders and the public.

Throughout the reporting period, we received and responded to considerable press, government and stakeholder enquiries concerning our work. Official press releases were issued in response to significant events, including the announcement of the joint framework between the UK and Irish governments in September, and publication of the Annual Report and Accounts in October 2025.

Our senior leadership have appeared on television and radio, in online and print media, at stakeholder meetings, and before government committees to provide updates on the work of the Commission. Work continues with media outlets and stakeholders to sustain and develop these important relationships.

The Commission continues to use a range of tools to assist in understanding public perceptions of our work. These insights will be embedded into our communications and engagement activity moving forward, in addition to supporting our approach to explaining the transition to the Legacy Commission.

During the year, information on the Commission's website has been updated when required. Following a review, work has been completed to redesign the website. The new version is expected to launch in 2026–27. Internal communications have also been strengthened, with regular staff updates and information uploaded to the Commission's intranet.

Promotion of reconciliation

In May 2025 the Commission published an update on the promotion of reconciliation, including details of our organisational framework. The Commission's aim is to create conditions for encouraging the promotion of reconciliation in the exercise of our functions by:

- Building mutual respect and trust.
- Protection of fundamental rights.
- Rapprochement between cultural, political and national identities.
- Due regard to the need to promote equality of opportunity.
- Regard for the desirability of promoting good relations.
- Promoting a culture of tolerance at all levels and all aspects of society.
- Acknowledgement of the suffering of victims and survivors.
- Delivering justice, accountability and information about the past.
- Striving for the achievement of a peaceful and just society.

Throughout 2025–26, work has been undertaken to embed conscientious consideration of the promotion of reconciliation across all Commission activities. This includes a programme of capability building activity, refinement of existing guidance materials, and development of an e-learning module, scheduled for rollout during 2026–27. As the Bill progresses through the legislative process, the Commission will continue to engage with stakeholders regarding our approach.

Production of a historical record

The Act requires the Commission to prepare and publish a historical record on the Troubles/Conflict. Early exploratory work continued into 2025–26. However, to ensure consistency with future legislative developments, strategic considerations for the development of a historical record remain at an early phase.

Case study: Witness appeals

The Commission has a range of legal powers available to obtain information and in 2025–26 we launched our first witness appeals. This investigative method aims to recover information that may not be available in existing records or materials. Alongside the Investigations directorate, the Strategic Communications directorate facilitated five public witness appeals which have resulted in the Commission receiving new information relating to the cases, with more planned in 2026–27.

When planning an appeal for information, the Commission considers the investigation's objectives and the demographic of potential witnesses. The Information Recovery team work closely with the Requesting Individual when developing the approach, to ensure their input and ongoing awareness.

Our witness appeal activities include producing and distributing posters and leaflets and conducting mail-drops around areas relevant to the investigation. We also undertake media appeals on local news platforms or radio stations on the day the appeal launches.

The desired outcome for a witness appeal is to gather credible information that would not have been received otherwise in hope that, once verified, it provides a new line of enquiry to explore. In some cases, appeals can also motivate witnesses who may not have come forward at the time, but who hold relevant information, to contact the Commission.

Competence

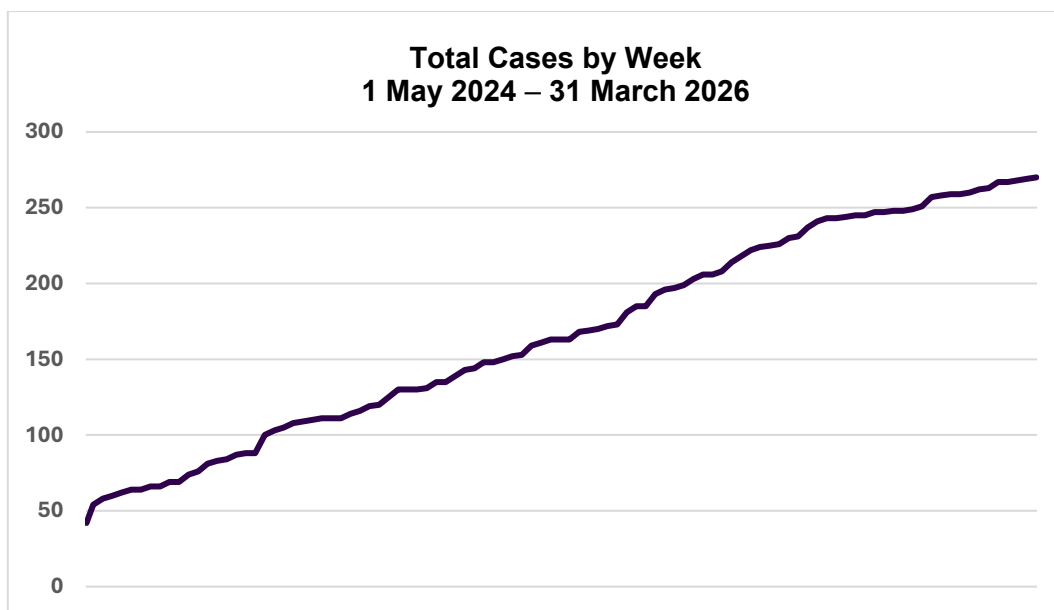
Operational activity

During 2025–26, victims, survivors and families have continued to approach the Commission to request an investigation into their injury or the death of their family member.

Monthly numbers have fluctuated, with an overall average of nine new cases per month throughout the reporting period. New case numbers reduced in autumn 2025 following the announcement of the joint framework and the initial readings of the Northern Ireland Troubles Bill 2025 in the UK Parliament. Numbers increased somewhat in early 2026.

Between 1 April 2025 and 31 March 2026 a total of 107 Requesting Individuals approached the Commission and 111 cases were registered. This brings the total demand since the Commission launched on 1 May 2024 to 256 Requesting Individuals and 270 registered cases.

The graph below shows total cases by week since 1 May 2024.

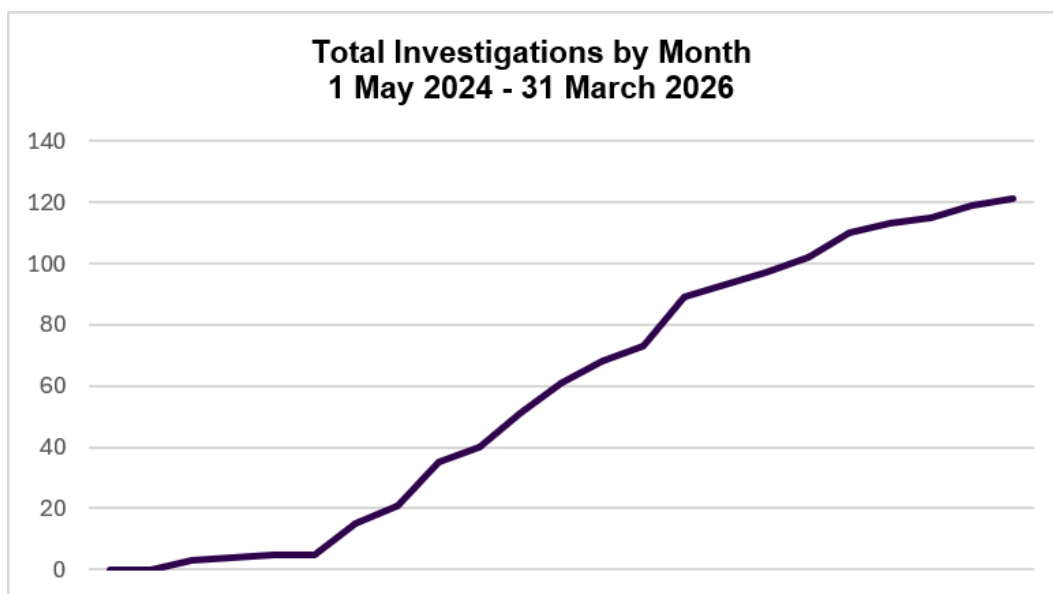


A small number of Requesting Individuals have made more than one request, and some requests have been withdrawn, paused or closed, for example if a Requesting Individual decided not to proceed at that time.

The slower pace of progress of serious harm cases was identified as an issue in 2025–26. To address this, the Case Support team adopted a more proactive role in working with colleagues to review serious harm cases at regular intervals, request relevant material, and closely monitor case progression.

An increasing number of cases moved through the support stage during 2025–26 and were accepted for investigation, with an average of six new investigations opened per month. Between 1 April 2025 and 31 March 2026 a total of 72 investigations were opened relating to a global total of 116 deaths. This brings the total investigations opened since the Commission launched to 123 investigations relating to a global total of 214 deaths.

The graph below shows the total investigations by month since the Commission launched on 1 May 2024.



The Commission is committed to ensuring that every investigation is conducted independently, thoroughly and fairly. Whether or not a legal obligation arises to meet the requirements of the ECHR, we consider there is good practice in adopting the elements of an ECHR-compliant investigation. This informs the approach that the Commission takes to all investigations.

The rapid rate of demand for the Commission’s services has created challenges around the Commission’s investigative capacity. The pace of progress in investigations during 2025–26 has been significantly affected by a shortage of both Commission and partner resources to fully meet our rigorous investigative requirements. In response to this, a case sequencing model was developed to improve management of the overall caseload and maximise the most effective use of available resources. The Commission is currently engaging the UK Government on the issue of resourcing.

Throughout 2025–26, several of the Commission’s cases were assessed to be eligible for a liability investigation.

The first completed investigations have passed to the Findings stage and are being progressed at pace. Following completion by the Reports and Findings team, these reports will move through the statutory representations process. The Commission expects that a number of reports will be in the representations process by the end of the summer, with further reports following in the subsequent months.

Publication of these reports is a significant milestone in the Commission’s journey to date. To prepare for this, work has been completed by the Reports and Findings team to design the structure for reports, and the approach to their development. Extensive analysis and drafting have been undertaken, alongside preparation for the statutory representations process. Engagement and consultation with both internal

colleagues and external stakeholders, including victims' groups, will continue as the first reports are published.

Although operational teams are working within significant capacity constraints, they continue to receive very positive feedback from those who approach the Commission, particularly in relation to the quality of engagement with team members during very challenging circumstances.

During 2026–27, we will continue to increase operational capacity and capability, in line with available resource, so that we can provide investigations and reports for more victims, survivors and their families.

Information received

The information sought and received by the Commission in relation to our investigations is extensive and varied. During a Commission investigation, information from existing records and archives will be gathered by Investigators. This can include, for example, previous investigation files, witness statements, crime scene images and forensic information. The Commission may also generate investigative materials through new lines of inquiry.

The volume of available information is different in every case and therefore numerical values pertaining to documentation do not necessarily present the full picture.

However, by way of example, the Commission can report that as of 31 March 2026 49,464 (31 March 2025 17,683) files had been created on our case management system.

Operational policy and assurance

The Commission has a small team that develops operational policies and processes and provides advice and support on these matters to the operational teams.

A comprehensive review of all operational policies was carried out during 2025–26, and operational manuals were developed and updated as processes developed. In particular, the Commission has strengthened its approach to handling possible conflicts of interest within investigations. The policy was reviewed and updated, and awareness training delivered to all Commission staff, with compliance levels regularly monitored. Other policy areas that have been reviewed and assured include declarations of interest, employment practice, information security (including an internal Schedule 8 audit), use of computer systems, and case progression and management.

Planning has also commenced to support the transition of ICRIR to the Legacy Commission and the introduction of Inquisitorial Proceedings.

External assurance and oversight

The External Assurance Group (EAG) provides expert advice and professional challenge to the Commission, with an international membership of law enforcement, criminal justice, legal and trauma-informed practice experts. All members were reappointed in 2025–26 with a new Chair and two co-Chairs to assist with the transition of ICRIR to the Legacy Commission. An EAG subgroup was created to share expertise and experience with the Reports and Findings team, during the preparations for the Commission’s statutory representations process, ahead of the publication of the first Findings reports.

A joint oversight group has also been established that will be chaired alternately by the ICRIR Chief Commissioner and by the Chief Operating Officer of the Northern Ireland Office (NIO) following an independent review of the Commission’s corporate effectiveness and cultural health.² The group will oversee delivery of an action plan designed to implement recommendations made by the review. The Corporate Effectiveness and Cultural Health Review identified a number of shortcomings in relation to governance, leadership and culture which the Commission is committed to addressing as we move forward.

The Secretary of State for Northern Ireland has announced that the statutory review of the performance by the Commission of its functions will be commissioned. Section 36 of the Legacy Act 2023 requires such a review to be carried out and completed by 30 April 2027.

Independent oversight arrangements for the use of police powers by designated Commission officers continue to be provided by the Office of the Police Ombudsman in Northern Ireland, the Police Investigations and Review Commissioners in Scotland, and the Independent Office for Police Conduct in England and Wales. The College of Policing continues to deliver bespoke training for investigators, co-designed with the Commission.

Several external and internal reviews and audits have been conducted during 2025–26 on the Commission’s operational functions. Notably, an external audit was undertaken examining the Commission’s holding and handling of information under regulations made under Section 34 of the Act, with a finding that all policies were compliant with relevant requirements. The annual policy statement relating to Section 34 will be published alongside the annual report, as required by regulation 2(5).

² [Corporate Effectiveness and Cultural Health Review](#)

Operational capability

People

During 2025–26, the headcount of the Commission increased by over 50% as operations became embedded and investigative work increased.

At 31 March 2026, the Commission employed 260 staff members, with the organisation currently staffed to full budgeted capacity. The workforce consists of permanent employees, staff on temporary loan or secondment from other organisations, and agency or contracted workers supporting short term projects.

63% of staff are based in Belfast and 37% are based in London. The Investigations directorate continues to be the largest, accounting for over two-thirds of the total workforce. At 31 March 2026, the Commission's workforce was 47% female and 53% male.

During 2025–26, building the operational capability in the Commission has been the focus of recruitment activity, with operational teams prioritised to meet the demand for Commission investigations. Despite the progress that has been made, due to budgetary pressures, the Commission is currently operating at under half the investigative capacity assessed to be necessary to effectively progress the foreseeable caseload.

To deal with the increased pace of recruitment activity, the Commission implemented an applicant tracking system. The new system has supported over 30 recruitment campaigns and processed over 1750 applications, representing a significant increase in scale and efficiency in a rapidly growing organisation. This has also strengthened compliance with statutory reporting and improved resilience and consistency across recruitment and onboarding activities. During 2026–27, plans are in place to expand automation within the applicant tracking system, to reduce reliance on manual effort, improve communication with candidates, and release recruitment team capacity.

To address continuing delays in obtaining security clearances for successful candidates, vetting policies were reviewed and updated during the year. Merit lists have been created from all live recruitment campaigns to form talent pools that will allow for proactive engagement with previously registered candidates, supporting faster and more targeted recruitment and onboarding.

All employees joining the Commission attend a comprehensive induction programme and must complete seven mandatory e-learning modules within four weeks of joining the Commission, with an annual refresher required. At 31 March 2026, the average completion rate for mandatory training modules was 79%. New employees are automatically enrolled on the learning platform with mandatory training modules assigned from their start date. As a result, there is always a cohort of recent starters

who remain within their allotted completion period. In 2026–27, the Commission will develop an onboarding programme for high volume recruitment which will provide individual onboarding plans for each specialised operational role.

During 2025–26, a range of policies were developed or strengthened to support employee wellbeing, fairness, and effective working practices. Policies relating to raising a concern, recruitment, and pay were reviewed and updated to promote transparency, consistency and integrity in decision making. Policy development also progressed across key organisational areas including the Disability Action Plan and Equality Scheme, reinforcing the Commission's commitment to inclusion and accessibility. During 2026–27, policy development will focus on reviewing and updating key policies to reflect relevant changes in legislation and best practice.

An Employee Representative Group policy was introduced in early 2026 to formalise consultation arrangements and support effective staff representation. In the coming year, a dedicated working group will be established to further consider the impact of time off in lieu (TOIL), overtime and flexitime arrangements.

Following a review in 2025, the Commission has appointed an external job evaluation specialist to review our job architecture. This work directly supports our annual work plan 2026–27 action to strengthen recruitment, selection, onboarding, and ongoing workforce development.

The review will improve role clarity, consistency, and fairness by ensuring roles are accurately defined and graded. This strengthens the foundations for transparent recruitment, effective onboarding, and evidence-based decisions on role design, grading, and pay, reinforcing organisational integrity. Overall, this work enhances the Commission's ability to attract, retain, and develop a skilled workforce and provides a stronger platform for future workforce planning and development.

Infrastructure

The Commission's headquarters office in central Belfast continues to provide core functions and is open to the public, with bespoke space available for meetings with victims, survivors and families.

During 2025–26, work continued to establish and equip the operational sites in London and Northern Ireland. Due to delays in building work at the permanent operational site in Northern Ireland and the rapid growth in the operational workforce, additional temporary accommodation was secured during the year to provide a base location for the operational teams. Building works at the permanent Northern Ireland and London operational sites have now completed.

Due to the projected growth of the investigative workload and the proposed introduction of inquisitorial proceedings, both of which will create a further uplift in the

operational workforce, additional permanent operational accommodation will be required in 2026–27.

The Commission's IT capabilities expanded during 2025–26, bringing new solutions that enable more efficient work and improved cyber security awareness.

Technological options to maximise effectiveness of information recovery have also been explored including digitisation, automation and artificial intelligence. This work will continue in 2026–27.

Regular, mandatory security briefings have been delivered across the Commission to continue building and improving the security culture, and specific threat risk and harm advice is continually given to our operational and corporate teams. This has included training sessions for operational planning and threat assessment, and advice on policies and processes. Generic cyber security risks have been dealt with through the provision of Commission-wide briefings to staff and the circulation of national awareness campaign information and advice. Physical security breaches and equipment losses remained low in 2025–26 and all were dealt with swiftly and according to policy with no reported negative impacts.

With operational work now moving at pace on live investigations, future plans for 2026–27 include the establishing of a security framework policy to expand our security structure and capability across the Commission.

Finance and commercial

During 2025–26, work continued to refine the Commission's approach to managing and forecasting budgets. The Corporate Effectiveness and Cultural Health Review found that the Commission has not made the progress in terms of financial maturity that would have been expected over its first two years of existence. The review put forward a number of recommendations designed to improve that financial maturity and to build confidence in the Commission's financial stewardship. Several of these recommendations have now been implemented and others will be progressed in 2026–27.

In line with best practice, a Finance Committee has been established as a committee of the Board which will provide enhanced oversight and scrutiny, to further strengthen the Finance and Corporate Services directorate and provide additional assurance. The first meeting of this Committee took place on 28 May 2026.

A financial procedures manual has been developed, providing clear and consistent guidance for staff on financial processes and controls, and supporting compliance with the requirements of 'Managing Public Money'.

Monthly management accounts were introduced, providing the leadership team with timely and reliable financial information to support effective decision-making and oversight. The accounts present actual expenditure against budget on a month-by-

month basis, enabling early identification of variances and supporting the Commission's commitment to sound financial stewardship.

The Commission's procurement activity supported further establishment and operational delivery, with a diverse portfolio of requirements across corporate and investigative directorates. Many requirements were met through government and framework agreements, inter departmental arrangements and direct awards when appropriate. Specialist and high value services were procured using national tenders.

The pace of organisational growth and the need to secure specialist capability at short notice created some delivery pressures. These risks were mitigated through early engagement and use of established frameworks to limit disruption.

In 2026–27, the Commission will further mature its procurement and contract management arrangements. Work will be undertaken in line with the Commission's newly established procurement policy which reflects the requirements of the Procurement Act 2023.

Care

Trauma and Resiliency Informed Model (TRIM)

During 2024–26, TRIM was established as a core governance principle of the Commission's operating model, with initial rollout focused on awareness, foundation training and early integration into casework and engagement approaches.

A comprehensive review of TRIM training was undertaken during the reporting year. This resulted in the development of tiered learning: an e-learning for all staff to support foundational understanding, Level 1 training to build awareness and application of relevant skills, and enhanced skills-based Level 2 training alongside bespoke packages for specific teams and roles.

The rollout of refreshed training in 2025–26 was slower than anticipated. At 31 March 2026, 87% of the Commission's current total workforce had received TRIM Level 1 training, demonstrating broad organisational awareness. Some operational teams receive more intensive training and at 31 March 2026, 57% of the eligible workforce had received TRIM Level 2 training. This percentage reflects challenges in meeting the considerable demand relating to the upscaling of eligible cohorts, with limited training resource.

Internally, reflective conversations (TRIM listening conversations), TRIM individual supervision and TRIM multi professional case conference mechanisms have been introduced for individual staff members and groups of colleagues. These provide a structured space to reflect on the impact of trauma on behaviour, relationships, and

organisational culture and to plan trauma informed and resiliency focused engagements with Requesting Individuals.

The Commission provides an independent emotional support service (IESS) for Requesting Individuals, which can also be made available to witnesses.

The TRIM team have gathered considerable learning from the reporting year's activities and will be engaging across the Commission to develop and improve work to date, within the confines of the TRIM approach.

Case study: TRIM event

On 5 November 2025, the Commission hosted our first discursive event on 'Delivering a Trauma and Resiliency Informed Service'. This was the Commission's first large scale event and was attended by around 50 delegates. The event functioned as a forum for the important dissemination of learning and sharing experiences of trauma-informed practices by international experts, academics and practitioners, who presented their reflections on supporting victims and survivors.

Our TRIM and Investigations teams shared how our model is embedded within the Commission and relayed some of our own learning from the early stages of our work. The day concluded with stakeholders including the PSNI and the Victims and Survivors Service (VSS) providing insights into how they have applied, and continue to apply, trauma informed practice in their organisations. The event was a welcome opportunity for the Commission to learn from respected peers and hear from academic leaders on this issue, and positive feedback was received from both participants and staff.

Safeguarding

Due to the nature of the Commission's activities, we have placed considerable focus on ensuring any safeguarding incidents are appropriately identified and reported. Reflecting this focus, in the period to 31 March 2026, there was an increase in safeguarding escalations, some of which resulted in referrals to external services. The majority were related to mental health issues, with some physical health issues also mentioned.

The Commission's safeguarding policy and operational manual was updated as processes and governance arrangements developed. Regular safeguarding surgeries were held to provide a forum for discussion and guidance, and a lessons learned review identified areas for improvement and further development. Bespoke training was provided to all investigators, and a mandatory e-learning module for all Commission staff has been developed, with rollout scheduled for spring 2026.

Principles utilised in mediation

Early work to explore the potential for principles used in mediation to assist with the resolution of questions from victims, survivors and families was completed during the reporting period. However, the requirement for this work strand has now been superseded by legislative developments within the Troubles Bill 2025 that aim to establish the new Independent Commission for Information Retrieval (ICIR).

Financial review

This is the second Annual Report and Accounts document prepared by the Commission for a full financial year (2025–26).

Going concern

On 19 September 2025, the UK and Irish Governments announced a joint framework to address the Legacy of the Troubles. This framework sets out proposed changes to the Commission's underpinning legislation with the expectation that our work will continue. Under the FreM interpretation of IAS1 Presentation of Financial Statements, as the Commission's activities will continue to be provided and the purpose of the Commission will not change, we have continued to prepare these financial statements on a going concern basis.

The Commission prepares financial statements in accordance with the UK Government Financial Reporting Manual (FReM), which has adapted going concern for non-trading entities to be based on the anticipated continuation of the provision of a service in the future, as evidenced by inclusion of financial provision for that service in published documents.

The Commission's sponsoring body is the Northern Ireland Office (NIO) as laid out in the Northern Ireland Troubles (Legacy and Reconciliation) Act 2023. The Commission's budget for 2026–27 has been approved by the Northern Ireland Office, with the 2026–27 budget reflecting the 2025 Spending Review (SR) phase 1 settlement.

The Commission has also received a further three-year financial settlement as part of the UK Government Spending Review phase 2 covering the period up to 2028–29. The Commission's investigative expenses are met through the Annually Managed Expenditure (AME) process and as such were not included in the SR. The treatment of these costs as AME was not changed in the SR.

Following confirmation of the 2026–27 funding settlement, the Commission has now established that we cannot currently reclaim VAT on non-business activities through the Section 126 VAT Reclaim process. An application has been made for inclusion on an HM Treasury Order under Section 33E, which is likely to take some months to approve. Whilst this will result in a budget pressure in 2026–27, the Commission will manage this through a range of measures including bidding for additional funding through the Supplementary Estimates process and reviewing planned expenditure on discretionary areas.

As a result of the measures set out above and the Spending Review settlement the Accounting Officer has reasonable expectation that the Commission can continue for a period of 12 months from the date of approval of the annual report and accounts,

and it has accordingly been considered to adopt a going concern basis for the preparation of the 2025–26 financial statements.

Financial results

The Commission obtained, via the sponsor department the NIO, Parliamentary approval for our 2025–26 budget. The then Secretary of State for Northern Ireland wrote to the Commission, on foundation, setting out its funding mechanism, including the use of AME to fund investigative work undertaken by the Commission.³

During 2025–26 the Commission drew down £18.665m (2024–25 £14.278m) in Grant in Aid, as disclosed in the Statement of Changes in Taxpayers' Equity.

The total operating and finance expenditure brought to account within the Statement of Comprehensive Net expenditure was £25.073m during 2025–26 (2024–25 £15.639m). There was finance income of £0.118m recognised in 2025–26 (2024–25 £0.018m), however an adjustment loss due to a minimum funding requirement of £0.335m this year (2024–25 nil) resulted in a total net expenditure for the year of £25.322m.

Capital expenditure during the year was £2.672m (2024–25 £13.049m) consisting of property, plant and equipment costs of £2.635m (2024–25 £4.710m) and right of use assets of 0.037m (2024–25 £8.339m) (see notes 6 and 7).

Staff costs (note 2) amounted to £17.460m (2024–25 £9.227m) of the total expenditure in 2025–26, this relates to staff employed, loaned or seconded from elsewhere, by the Commission. The total number of staff increased over the period, from 169 at 31 March 2025 to 260 at 31 March 2026.

ICRIR staff were admitted to the NILGOSC pension scheme on 1 April 2024. An actuarial report was obtained from AON as at 31 March 2026 for the purposes of IAS19 Employee Benefits. The valuation reported scheme assets of £3.055m and scheme liabilities of £2.977m, resulting in an underlying surplus of £0.078m. However, this surplus is not recognised because of the application of the IAS19 asset ceiling. In addition, IFRIC 14 requires recognition of an additional liability of £0.335m arising from the minimum funding requirement. Consequently, the Statement of Financial Position reflects a net retirement benefit liability of £0.335m at 31 March 2026. Employer contributions paid during the year totalled £1.385m. Staff on loan or secondment are recharged to the Commission gross of all their staff costs, including their home entity's own pension scheme costs.

Other expenditure totalled £7.421m in 2025–26 (2024–25 £6.378m). The major areas of other expenditure were professional fees £1.327m (2024–25 £1.216m),

³ [ICRIR funding letter](#)

consultancy £0.357m (2024–25 £0.972m), depreciation £1.347m (2024–25 £0.956m), IT expenditure £1.099m (2024–25 £0.637m) and maintenance and utilities £1.636m (2024–25 £0.965m) Also within other expenditure was £0.191m (2024–25 £0.160m) relating to the external auditor's remuneration and expenses.

The Statement of Financial Position shows net liabilities of £8.698m (2024–25 £2.041m).

Non-current assets consist of two leasehold premises in Northern Ireland and a further site in London. Right-of-use assets arising from the property leases have been recognised in accordance with International Financial Reporting Standard 16 (IFRS 16). In addition, the Commission has capitalised leasehold improvements and fit-out costs relating to these properties. Together, these assets had a total carrying value of £14.870m at 31 March 2026 (31 March 2025 £13.433m). Depreciation of £1.347m was charged in 2025–26 (2024–25 £0.956m).

Within trade and other payables are capital accruals relating to the fitouts of the leasehold premises described above and a creditor with the NIO for transactions processed through the UK Government's shared service provider.

Sustainability reporting

The Commission is committed to making our estate and operations low impact on the environment and more sustainable and, where possible, we support the delivery of the UK Government's Greening Government Commitments (GGCs).

The Commission is assessed to be out-of-scope of the Task Force on Climate-related Financial Disclosures (TCFD) for the following reasons:

- The ICRIR is not a central government department.
- The Commission has less than 500 employees and has received less than £500m in Grant in Aid.
- The Commission has not been instructed by our sponsoring department (Northern Ireland Office), to follow the TCFD's guidance.

A review of existing risks has not identified any climate-related financial risks or opportunities that are specific to the Commission's remit, programme or governance. Like most public sector bodies, the Commission may be indirectly affected by wider macro-economic or market developments with a climate dimension (for example changes in energy prices), but these are not assessed to give rise to distinct or material climate-related risks.

The Commission does not own any buildings, shares premises with multiple tenants, and has limited access to reliable landlord-managed environmental data. As such, we cannot report on the core areas of emissions, water and waste consumption.

Therefore, a full sustainability report has not been included in this annual report. The Commission has instead elected to detail relevant initiatives in relation to sustainability practices.

An environmental and sustainability policy will outline our approach to minimising environmental impact, in the areas we control, across our operations. It will address resource management, carbon footprint reduction, and our contributions to environmental sustainability, ensuring that our practices are environmentally responsible and aligned with global sustainability standards.

The UK Procurement Act 2023 will provide the Commission with greater opportunities to actively consider sustainability within procurement decisions, including the ability to consider factors relating to environmental sustainability and social impact when awarding contracts.

The Commission's activities are limited in scope and are not inherently emissions-intensive or linked to climate-sensitive sectors. However, corporate travel is undertaken as part of operational delivery. The Commission encourages the prioritisation of sustainable transportation, including the use of public transportation

whenever possible. Our policies also encourage staff to be mindful of the environmental impact of their travel choices, and only travel when necessary, promoting virtual meetings as a more sustainable alternative when appropriate.

Our Belfast and London headquarters are centrally located, enabling access to public transportation options, whilst remaining mindful of individuals with accessibility requirements.

A handwritten signature in dark ink, reading "Ronnie Armour". The signature is written in a cursive style with a small dot above the 'i' in "Ronnie".

Ronnie Armour
Accounting Officer

08 September 2026

Accountability report

The accountability report includes the corporate governance report, the remuneration and staff report and the parliamentary and audit report. These sections reflect the financial and parliamentary accountability reporting requirements.

Corporate governance report

The corporate governance report contains three sections:

- Directors' report
- Statement of Accounting Officer's responsibilities
- Governance statement

Directors' report

The Directors' report provides details of those with the key responsibilities for directing the Commission in the delivery of our objectives. It provides information on any personal data incidents reported to the Information Commissioner's Office. It also includes information about some significant matters up until the date of publication.

Statutory background

The Commission is established as a body corporate under the Northern Ireland Troubles (Legacy and Reconciliation) Act 2023. The principal objective of the Commission in exercising our functions is to promote reconciliation.

The Commission has been administratively classified by the Cabinet Office as a non-departmental public body (NDPB) sponsored by the NIO. The NIO ICRIR Framework document agreed on 14 December 2023, sets out the broad governance framework within which the Commission and NIO operate.

The Commission operates independently of the UK Government, the Northern Ireland Executive, and all other public authorities.

Commission leadership

The Commission is led by a Board of seven Commissioners, chaired by the Chief Commissioner, Sir Declan Morgan.

The Board consists of the Chief Commissioner, Commissioner for Investigations and the Chief Executive Officer who are executive members of the Board and four Non-Executive Commissioners. Lindsay Todd is the Lead Non-Executive Commissioner and Chair of the Audit and Risk Committee.

The Chief Executive Officer has been designated as the Accounting Officer for the Commission, with direct accountability to Parliament for the use of public funds. The Chief Executive Officer, Louise Warde Hunter, took up post in August 2024 and was formally appointed as a Commissioner and Accounting Officer in September 2024.

Ronnie Armour was appointed as interim Chief Executive Officer and Accounting Officer in August 2026, following a six-week period in which Josephine Kelly, Director of Finance and Corporate Services, was deputised as the Accounting Officer for the Commission.

The membership of the Board throughout the reporting period and their attendance at Board meetings is outlined below. A list of Board and Committee members with their attendance for reporting period can be found on page 42 of the governance statement.

Board membership 2025–26

Members of the ICRIR Board from 1 April 2025 to 31 March 2026

Name	Position	Appointed as Commissioner
Sir Declan Morgan	Chief Commissioner	14 December 2023 for five-year term
Peter Sheridan	Commissioner for Investigations	14 December 2023 for five-year term
Louise Warde Hunter	Chief Executive Officer and Commissioner	7 September 2024 for a five-year term
Lindsay Todd	Lead Non-Executive Commissioner	14 December 2023 for a four-year term
Rogelio Alonso	Non-Executive Commissioner	14 December 2023 for a three-year term
Brice Dickson	Non-Executive Commissioner	14 December 2023 for a three-year term
Kathleen Russ	Non-Executive Commissioner	14 December 2023 for a four-year term

Register of interests

The Commission maintains a register of Board members' interests. Declarations of any new interests is a standing agenda item for all Board and Committee meetings. The identification of potential conflicts is also addressed at the beginning of each meeting. Registers of interest for Board members are published on the Commission website.⁴

Personal data incidents

The Commission takes very seriously its responsibilities in protecting the privacy of individuals and the security of information entrusted to us. We are working to implement robust data protection practices into every aspect of our work to ensure compliance with GDPR and alignment with our organisational values.

For the period of 1 April 2025 to 31 March 2026, one incident met the threshold for reporting to the Information Commissioner's Office (ICO). This incident occurred when an email was sent to an individual, where an incorrect document had been attached. Rather than formal correspondence, the individual received a document intended for internal use. Most of the information contained was a matter of public record, however the document contained some additional personal data, which met the threshold for reporting to the ICO. The ICO confirmed that no further action was required. This incident was also reported and described in the Annual Report and Accounts for 2024–25.

Significant work was undertaken to fully investigate the circumstances of substantive breaches, to learn from these incidents, and to increase staff awareness of the importance of appropriate data management and security. In line with audit recommendations, a review of all data policies is ongoing but is progressing slower than anticipated due to lack of resource.

There have been seven non-reportable personal data breaches from 1 April 2025 to 31 March 2026, each of which were contained. The most common type of personal data incidents reported remains emails and attachments sent to the incorrect recipient.

The Commission also records any 'near misses' to ensure that our approach to continuous improvement is robust and evidence based. Our responses to these incidents have resulted in delivered, or planned, improvements to our handling procedures, training and technical products.

⁴ [ICRIR Register of Interests](#)

Statement of Accounting Officer's responsibilities

Under the Northern Ireland Troubles (Legacy and Reconciliation) Act 2023 (the Act), the Commission has prepared accounts for the financial period ended 31 March 2026, in respect of the monies provided by the UK Government in the form and on the basis set out in the Accounts Direction issued by the NIO and which His Majesty's Treasury (HM Treasury) has approved.

The Commission shall prepare accounts for the financial period ended 31 March 2026 and subsequent financial years in compliance with the accounting principles and disclosure requirements of the edition of the UK Government Financial Reporting Manual issued by HM Treasury (the FReM) which is in force for the financial period for which the accounts are being prepared, in line with the Accounts Direction referred to above.

The accounts are prepared on an accruals basis and must:

- 1) Give a true and fair view of the state of affairs of the Commission as 31 March 2026 and subsequent financial year-ends, and of the income and expenditure (or, as appropriate, net resource outturn), changes in Taxpayer's Equity and cash flows for the financial year.
- 2) Provide disclosure of any material expenditure or income that has not been applied to the purposes intended by Parliament or material transactions that have not conformed to the authorities that govern them.

In preparing the accounts, the Accounting Officer is required to comply with the requirements of the FReM and in particular to:

- Observe the Accounts Direction issued by the NIO, 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 FReM have been followed, and disclose and explain any material departures in the accounts.
- Prepare the accounts on a going concern basis.
- Confirm that the Annual Report and Accounts as a whole is fair, balanced and understandable, and take personal responsibility for the Annual Report and Accounts and the judgments required for determining that it is fair, balanced and understandable.

The Principal Accounting Officer at the Northern Ireland Office, with the consent of HM Treasury, has appointed the Chief Executive Officer of the Commission as the Accounting Officer. 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 Commission's assets, are set out in Managing Public Money published by HM Treasury.

As the Accounting Officer, I have taken all the steps that I ought to have taken to make myself aware of any relevant audit information and to establish that the Commission's auditors are aware of that information. So far as I am aware, there is no relevant audit information of which the auditors are unaware.

A handwritten signature in dark ink that reads "Ronnie Armour". The signature is written in a cursive style with a small dot above the 'i' in "Ronnie".

Ronnie Armour
Accounting Officer

08 September 2026

Governance statement

As Accounting Officer, the Chief Executive Officer is responsible for maintaining a sound system of internal control that supports the achievement of the Commission's policies, aims and objectives. This system must safeguard the public's funds and our assets, for which the Accounting Officer is personally responsible in accordance with the responsibilities assigned in 'Managing Public Money'.⁵

The governance statement describes the corporate governance and risk management arrangements for the year to 31 March 2026 and up to the date of signature.

To ensure continuity of accountability and the provision of necessary assurances during the transition between Accounting Officers following the reporting period, the Director of Finance and Corporate Services acted as Accounting Officer for a period, maintaining appropriate oversight and governance arrangements until the interim postholder, Ronnie Armour, assumed responsibility.

⁵ [Managing Public Money](#)

Governance structure

The following diagram details the Commission's governance structure throughout the reporting period.*



*Following the reporting period the Executive Leadership Team is no longer a committee of the Board (see page 47) and the Commission's Finance Committee has been established (see page 26).

Board of Commissioners

The Board of Commissioners has collective responsibility for setting the strategic direction of the Commission to enable it to deliver its functions, as set out in the Act.

Individual Board members are required to act in accordance with the provisions of the Framework Document, with particular reference to acting in good faith and in the best interests of the Commission, and adhering to the Commission's Code of Conduct, which complies with the Cabinet Office's 'Code of Conduct for Board Members of Public Bodies' (2019). All Board members and officers must act in accordance with the 'Seven Principles of Public Life' and the Commission's stated values.

Board meetings

The table below outlines the attendance of members at Board meetings, which met formally nine times during the reporting period. In addition, nine exceptional meetings were convened outside of the regular schedule to address highly urgent or unforeseen business.

Name	Position	Meetings attended in reporting period
Sir Declan Morgan	Chief Commissioner	18/18
Peter Sheridan	Commissioner for Investigations	18/18
Louise Warde Hunter	Chief Executive Officer and Commissioner	18/18
Lindsay Todd	Lead Non-Executive Commissioner	18/18
Rogelio Alonso	Non-Executive Commissioner	18/18
Brice Dickson	Non-Executive Commissioner	18/18
Kathleen Russ	Non-Executive Commissioner	18/18

The Commission publishes a summary of formal Board meetings on our website.

Over the course of the reporting period, the Board retained a close focus on ensuring the Commission continued to deliver to the best of our ability for victims, families and survivors. The Board provided strategic direction on multiple statutory outputs, including the Annual Report and Accounts 2024–25 and ensured the annual work plan for 2026–27 accurately reflected both operational realities and resourcing challenges. This informed the Commission’s recommendations to the NIO regarding projected resourcing requirements for transition to the Legacy Commission.

The Board also scrutinised corporate performance and received updates from each business area, as well as approving several pay, time and reward related policies. The raising a concern policy was an area of significant focus, and more detail on this can be found on page 52.

Continuous improvement

Throughout 2025–26, the Board continued to monitor the Commission’s governance arrangements. Following work with an independent consultant in 2024, the Commission undertook a review of all Board Committee terms of reference, with changes approved in April 2025.

A People Committee was established, replacing the Remuneration and Nomination Committee in August 2025. With a rapidly growing workforce it was agreed to broaden the scope of the Committee’s responsibility beyond solely focusing on executive pay, to encompass the wider impact of pay and working practices on the workforce, employee engagement, and corporate culture.

In December 2025, the Board and NIO, as the sponsor department for the Commission, agreed to jointly commission an independent review into the Commission’s corporate effectiveness and cultural health.⁶ The Commission had reached a point in our development where it was right to step back and take an independent, structured look at how we work. This included focusing on how decisions are made, how leadership operates, and the extent to which our culture supports our effectiveness in delivering our statutory functions for victims, relatives, survivors, and wider society.

On 15 April 2026, Secretary of State for Northern Ireland Hilary Benn provided a written statement to the House of Commons notifying MPs of this independent review.

Having considered the review, the focus over the next financial year will be on the following key themes, which incorporate the 19 recommendations:

- **Publish reports as quickly as possible on a regular basis**—The Commission’s primary purpose is to deliver for Requesting Individuals. Our

⁶ [Corporate Effectiveness and Cultural Health Review](#)

number one priority must be to focus on the timely delivery of high-quality reports as quickly as possible.

- **Culture and senior leadership**—A healthy culture is the only foundation on which sustained delivery can be built. Embedding culture is not a short-term exercise: it requires collaborative leadership, meaningful engagement with staff, and a willingness to listen and improve.
- **Strengthen governance and financial practices**—Strong governance provides the accountability framework within which delivery, assurance and independence are embedded.

The review's findings will inform specific and measurable actions, which will be reported in the Annual Report and Accounts for 2026–27.

A wider review of the Commission's governance framework was undertaken and presented to the Board in June 2026. The Commission's governance framework now brings together the Board Standing Orders, Scheme of Delegation and Committee Terms of Reference into a single document to provide greater clarity on the roles and responsibilities of the different governance fora, taking into account lessons learnt, including some referenced in the independent Corporate Effectiveness and Cultural Health Review.

Board Committees

During the reporting period the Board was supported by the Audit and Risk Committee, the People Committee, Investigative Oversight Committee and the Executive Leadership Team.

Audit and Risk Committee

The Audit and Risk Committee (ARC) operates independently under delegated authority of the ICRIR Board. The ARC's role is to support the Board and Accounting Officer in discharging their responsibilities for issues of risk, control and governance. The ARC supports the Board and the Accounting Officer in these responsibilities by reviewing the comprehensiveness of assurances and assessing the reliability and integrity of these assurances.

The table below outlines the attendance of members at the ARC, which met formally six times during the reporting period.

Name	Role	Meetings attended in reporting period
Lindsay Todd	Chair	6/6
Kathleen Russ	Member	6/6
Martin Pitt	Independent Member	6/6

In the reporting period, the ARC had two Board members and one independent financially qualified member. Lindsay Todd, the Lead Non-Executive Commissioner chaired the ARC for the reporting period.

As Accounting Officer, the Chief Executive Officer attends ARC meetings along with the Director of Finance and Corporate Services. The internal auditors and the National Audit Office also attend. Other members of staff attend when appropriate.

A representative of the NIO is also invited to attend relevant meetings as an independent observer, at the discretion of the chair.

Over the course of the reporting period, the ARC:

- Monitored the Commission Executive's progress with putting audit recommendations into practice.
- Reviewed internal audit reports and received internal audit quarterly updates.
- Strengthened risk management by providing feedback and challenge on work to improve the risk register and risk management processes.
- Reviewed existing and emerging risks and the organisational approach to these.
- Reviewed the financial position and forecast from a risk perspective.
- Scrutinised the Annual Report and Accounts 2024–25 before submitting it for audit, Board approval and Accounting Officer certification.
- Reviewed and approved the proposed approach for producing the Annual Report and Accounts 2025–26.
- Reviewed the National Audit Office's audit planning and completion reports.
- Conducted its first annual self-assessment of the committee's effectiveness.

People Committee

The People Committee is a committee of the Board. It provides assurance to the Board on the People Strategy, remuneration policy, and the appointment and succession of senior leaders. The committee's remit goes beyond solely focusing on

executive pay, to encompass the wider impact of pay and working practices on the workforce, employee engagement, and corporate culture.

The table below outlines the attendance of members at People Committee, which met ten times during the reporting period.

Name	Role	Meetings attended in reporting period*
Kathleen Russ	Chair	10/10
Brice Dickson	Member	10/10
Aidene Walsh	Independent Member	10/10

*Meetings include formal and exceptional meetings convened outside of the regular schedule to address highly urgent or unforeseen business that cannot wait until the next standard meeting.

During the reporting period, the committee:

- Considered the interim pay review report recommendations starting with policies that were determined as operationally critical or highlighted by our employees.
- Recommended to the Board a number of policies including TOIL, flexible time and overtime policies. These new policies support employee wellbeing, work-life balance and enhance our operational efficiency.
- Recommended to the Board the application of a 2025–26 pay award for employees.
- Endorsed the establishment of an Employee Representative Group.
- Scrutinised corporate performance, people, HR and workforce metrics.
- Scrutinised and challenged the Commission’s workforce plans to ensure the Commission can be effectively resourced in order to deliver its strategic objectives.
- Reviewed employee related trends surfaced via the raising a concern process and escalated unmitigated risks to the Board.
- Co-sponsored, with the NIO, the jointly commissioned Corporate Effectiveness and Cultural Health Review, acting as the primary connection for the Board and the NIO.

Investigative Oversight Committee

The Investigative Oversight Committee (IOC) is a committee of the Board established to monitor active investigations and ensure they are carried out in line with the requirements of the legislation and the Commission's policies and procedures. It provides the Board with oversight and assurance of the Commission's operational performance, including progress against the annual work plan, the management of the caseload, and the implementation of operational policy.

The table below outlines the attendance of members at the IOC meetings, which met formally four times during the reporting period.

Name	Role	Meetings attended in reporting period
Peter Sheridan	Chair, Commissioner for Investigations	4/4
Steven Bramley	Member, General Counsel	3/4
Josephine Kelly (appointed January 2026)	Member, Director of Finance and Corporate Services	1/1
Anne Dorbie (appointed August 2025; resigned December 2025)	Member, Interim Director of Finance and Corporate Services	1/1
Kieran Rix (resigned August 2025)	Member, Chief Operating Officer	1/1

Executive Leadership Team

During the reporting period, the Chief Executive Officer was supported by the Executive Leadership Team (ELT) to oversee the Commission's operational performance and delivery. From January 2026, these meetings were complemented by attendance from a wider set of senior colleagues, in response to the desire for wider participation at meetings of the Commission's senior leadership during a period of potential transition.

The table below outlines the attendance of Executive Leadership Team members, who met formally 13 times during the reporting period.

Name	Role	Meetings attended in reporting period
Louise Warde Hunter	Chair	12/13
Kieran Rix (resigned August 2025)	Chief Operating Officer	6/6
Anne Dorbie (appointed August 2025; resigned December 2025)	Interim Director of Finance and Corporate Services	4/4
Josephine Kelly (appointed January 2026)	Director of Finance and Corporate Services	3/3
Steven Bramley	General Counsel	12/13
Claire Welch	Head of Findings	10/13
Peter Sheridan	Commissioner for Investigations	11/13
Keith Surtees (member from October 2025)	Deputy Commissioner for Investigations	6/6
Amanda Logan (member from October 2025)	Assistant Commissioner for Investigations	6/6

Over the course of the reporting period the Leadership Team:

- Approved updates to policies including travel and subsistence policy; complaints handling procedure and a raising a concern policy which went to the Board for endorsement before publication.
- Discussed the interim report on the pay and reward review recommendations. Following ELT, the interim report was presented at the People Committee and recommendations approved by the Board.
- Reviewed the corporate risk register and performance framework.
- Reviewed the people dashboard which provides high level management information on recruitment and HR issues.
- Considered the submission prepared for the Northern Ireland Affairs Committee (NIAC) on the Commission's response to the Bill.

- Approved the Commission's work plan for 2026–27 for submission to the Board.
- Discussed the options and high-level costings which were presented to Board before being recommended to NIO for input into its business case for delivery of the Northern Ireland Troubles Bill.
- Received regular updates on the Trauma and Resiliency Model (TRIM).
- Adopted a 'future readiness' approach to maintain our focus on our main objectives, whilst planning for transition to the Legacy Commission.

In April 2026, the Board approved the dissolution of the ELT as a committee of the Board to provide a forum for corporate leadership and decision-making below Board level. ELT has been renamed the Commission Leadership Team (CLT) and is an executive advisory and management body. The activities of the CLT will be reported in the Annual Report and Accounts for 2026–27.

Risk management

During 2025–26 the Commission strengthened its risk management maturity, embedding a disciplined and proportionate approach aligned to HM Treasury's Orange Book. A corporate risk register was subject to regular review and robust scrutiny through ARC and the Board, ensuring appropriate challenge to the ELT and timely escalation where required.

The principal strategic risks during the year centred on legislative uncertainty arising from the new Northern Ireland Troubles Bill and the planned transition to the Legacy Commission; securing sustainable budgetary provision as organisational scale and case complexity increased; and ensuring sufficient capability and capacity to meet rising demand from Requesting Individuals.

Progress in establishing directorate level risk registers was slower than planned due to limited resource, with priority placed on stabilising and embedding corporate level risk and controls. Notwithstanding this, material progress was achieved in improving risk oversight and transparency through the development of reporting and monitoring mechanisms.

Overall, while delivery was impacted by external uncertainty and resource pressures, the Commission exited 2025–26 with stronger governance, clearer risk visibility, and a more resilient framework to support operational performance during a period of continued transition.

Internal audit opinion

Sumer NI served as the Commission's internal auditor throughout the reporting period. Our appointed internal auditors utilise a three-point scale in their assessments, satisfactory, limited and unacceptable. This differs from the UK

Government Internal Audit Agency four-point scale and therefore may not be directly comparable with other public bodies.

The reviews conducted by the internal auditors in 2025–26 returned five ‘Satisfactory’ reports. Internal audit did not raise any ‘Priority 1’ recommendations.

Report	Assurance rating	Number of recommendations by priority		
		1	2	3
Health and safety	Satisfactory	0	5	4
Workforce planning	Satisfactory	0	5	1
Budgetary management	Satisfactory	0	0	2
Cyber security	Satisfactory	0	1	1
Case support functions	Satisfactory	0	3	3
Total recommendations		0	14	11

For the reporting period internal audit has concluded that the Commission’s systems in relation to risk management, control and governance were adequate and operated effectively thereby providing satisfactory assurance in relation to the capacity of the Commission to achieve our objectives.

This is an improvement from last year and reflects the progress the Commission is making towards strengthening internal controls, risk management, and compliance.

Internal controls

The Accounting Officer is required to review the effectiveness of the system of internal control annually. This is informed by the work of internal and external auditors, ARC and the senior leaders responsible for the internal control framework. This also included a review of end of year checks carried out by senior leadership of the controls to manage risks in their area. Written assurance statements are provided to the Accounting Officer to ensure that controls are effective. As would be expected of a young and growing organisation, there were some areas for development identified, and actions are underway to improve the robustness of the control environment.

Declaration and management of outside interests

The Commission's Policy for the declaration and management of outside interests was reviewed in 2025. A revised policy was approved by the Board in March 2026, replacing the 2024 version. The new policy reflects a more comprehensive and operationally embedded approach to the declaration and management of outside interests across the Commission. It strengthens transparency, accountability, and alignment with best practice in public service ethics. The policy supports the Commission's statutory duties, promotes public confidence, and ensures readiness for future legislative developments.

The new policy now includes a formal amendment acknowledging the draft status of the Northern Ireland Troubles Bill 2025. It commits to a full review and update upon enactment to ensure full alignment with statutory expectations and reflect any statutory duties placed on Commission officers, including the Chief Executive Officer and Directors of Investigations.

Gifts and hospitality

The Commission's gifts and hospitality policy was updated in November 2025. Under the policy all offers of gifts/hospitality must be added to the register whether they are accepted. The policy outlines the process to be followed in the event of the offering of a gift or hospitality to any Commissioner, officer or member of staff, secondees or those otherwise engaged by the Commission and for the provision of hospitality, where appropriate.

Complaints

The Commission is committed to delivering a high-quality service to Requesting Individuals and others we interact with. If something goes wrong or someone is dissatisfied with our services, then we want them to tell us so that we can learn from it.

In October 2025, a new complaints handling policy was published which explains who can make a complaint, what they can complain about, and how to make a complaint. It also outlines how we will handle a complaint and what the complainant can expect from us.

The new policy defines a complaint as: 'an expression of dissatisfaction by one or more members of the public that requires a response. It can be either spoken or written and can be about:

- An act, omission or decision we have made.
- The standard of service we have provided, or which has been provided on our behalf.

The complaint handling procedure provides guidance for Commission staff on how to respond to complaints received under the complaints handling policy. This was developed in line with the Parliamentary and Health Services Ombudsman Complaints Standards and is designed to support delivery of the values we set out in our code of conduct.

Where complaints relate to the use of significant police powers, the Commission has agreed arrangements with the Independent Office for Police Conduct (IOPC), the Police Investigations and Review Commission (PIRC), and the Police Ombudsman for Northern Ireland (PONI) to provide independent oversight by designated Commission officers in England and Wales, Scotland and Northern Ireland respectively. Details of these agreements can be found on the Commission's website.

No complaints were received by the Commission during the reporting period.

Raising a concern

The Commission recognises the importance of an effective policy that enables individuals to raise concerns about wrongdoing that may affect the public interest. It is important that individuals feel empowered to speak up safely and confidently when something doesn't feel right. A speak-up culture is fundamental to who we are. It protects our people, our organisation, and those we serve.

The Board formally appointed a non-executive whistleblowing champion at its meeting on 2 June 2025. By acting as a visible advocate at the highest level, the Board Champion will ensure that raising concerns under the Commission's whistleblowing policy is not treated as simply a procedural formality, but that it is a strategic priority.

There were six concerns made through the formal raising a concern mechanism in this reporting period. Both concerns relating to individuals and relating to wider organisational issues were raised.

Throughout 2025, we also undertook a review of the December 2023 policy, with a view to improving clarity and ensuring it is fully aligned with our organisational culture. We listened to feedback from employees, benchmarked against sector-wide good practice, and ensured our approach aligns fully with current whistleblowing legislation and regulatory guidance.

On 31 March 2026, the new raising a concern policy was published together with a new anonymous reporting channel, enabling anyone to report concerns without identifying themselves. The updated policy is more accessible, has clearer guidance on what to report, how to report it, and crucially, is stronger in the protections it provides to anyone who raises a concern in good faith. While anonymous reports

can sometimes make it harder to investigate fully, every submission is assessed carefully and acted upon where possible.

Following the Review of Corporate Effectiveness and Cultural Health, work is underway to ensure that appropriate feedback mechanisms are in place. This is aimed at enabling staff to feel more comfortable raising concerns at an earlier date, so that they may be resolved or mitigated, before becoming a more serious issue.

Remuneration and staff report

Remuneration

Remuneration policy

The Commission has adopted a single pay range, consisting of five pay bands for all staff below senior leadership level, which is modelled on wider public sector pay in equivalent bodies. Reflecting that the Commission needs to draw from labour markets in Northern Ireland and Great Britain, including London, the Commission has adopted a single scale based on those locations.

Pay awards are made in line with public sector pay remit guidance. All salaries are benchmarked in the context of the Commission's wider employee value proposition, which includes a competitive pension, investment in learning and development, a supportive work environment, and family friendly policies.

In accordance with the Commission's pay and pension policy, all employees who were in post on 31 March 2026, including those on probation, received a 3.25% pay increase.

Remuneration (including salary) and pension entitlements (audited)

The following sections provide details of the remuneration and pension interests of the most senior management (i.e. Board members) of the Commission. The Chief Commissioner and the Non-Executive Commissioners are public office holders and are not employees of the Commission. The Chief Executive Officer and the Commissioner for Investigations are employees, as well as being statutory public office holders.

Remuneration (audited)

Unless otherwise stated, the official start dates for all Commissioners and officials was 14 December 2023. The Chief Executive Officer, Louise Warde Hunter, took up post in August 2024 and was formally appointed as a Commissioner in September 2024.

Single total value of remuneration – Board members*

	Salary (£000)		Pension benefits (£000)		Total (£000)	
	2025–26	2024–25	2025–26	2024–25	2025–26	2024–25
Board members						
Chief Commissioner						
Sir Declan Morgan	155-160	150-155	-	-	155-160	150-155
Commissioner for Investigations						
Peter Sheridan	155-160	145-150	46	45	200-205	190-195
CEO and Commissioner						
Louise Warde Hunter (appointed August 2024)	155-160	90-95 (145-150 FYE)	47	28	205-210	120-125 (170-180 FYE)
Non-Executive Commissioner						
Lindsay Todd	25-30 (20-25 FYE)	20-25	-	-	25-30	20-25
Non-Executive Commissioner						
Kathleen Russ	30-35 (15-20 FYE)	15-20	-	-	30-35	15-20
Non-Executive Commissioner						
Rogelio Alonso	15-20	15-20	-	-	15-20	15-20
Non-Executive Commissioner						
Brice Dickson	15-20	15-20	-	-	15-20	15-20

*Additional payments were made to two Commissioners, Lindsay Todd and Kathleen Russ of £6k and £15k respectively. This was in recognition of significant additional time commitment required as a result of continuing development of operations at the Commission. There is no remuneration disclosure for Ronnie Armour, who was not in post as Interim Chief Executive Officer until August 2026, disclosures will be included in the Annual Report and Accounts 2026–27.

Single total value of remuneration – Other officials

	Salary (£000)		Pension benefits (£000)		Total (£000)	
	2025–26	2024–25	2025–26	2024–25	2025–26	2024–25
Other officials						
Chief Operating Officer						
Kieran Rix (resigned August 2025)	45-50 (FYE 105-110)	105-110	-	35	-	140-145
Director of Finance and Corporate Services*						
Josephine Kelly (appointed January 2026)	25-30 (FYE 110-115)	-	9	-	30-35	-
Director of People and Culture						
Patricia Lyttle (appointed August 2025)	70-75 (FYE 110-115)	-	23	-	90-95	-
Director of Reports and Findings						
Claire Welch (appointed September 2024)	125-130	60-65 (120-125 FYE)	36	20	160-165	80-85
General Counsel						
Steven Bramley	135-140	130-135	41	30	175-180	160-165

*Anne Dorbie was Interim Director of Finance and Corporate Services between August and December 2025. Anne Dorbie was a temporary staff member employed via an agency with salary costs in the range £110-115k FTE. The total salary and service costs paid to the agency relating to this appointment are included within the Staff Report below and note 2 of the Financial Statements. Josephine Kelly was appointed as Director of Finance and Corporate Services on 5 January 2026.

Salary and remuneration

‘Salary’ includes gross salary, overtime, reserved rights to London weighting or London allowances, recruitment and retention allowances, and any other allowance to the extent that it is subject to UK taxation. This report 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. Benefits in kind were nil for 2025–26 (2024–25 nil).

Pension benefits

Northern Ireland Local Government Officers’ Superannuation Committee scheme

The Commission participates in the Northern Ireland Local Government Officers’ Superannuation Committee (NILGOSC) pension scheme and makes contributions for employees each month. The pension scheme is known as the Local Government Pension Scheme Northern Ireland and is a funded multi-employer defined benefit scheme. NILGOSC is the corporate body responsible for the administration of the scheme. The Scheme Actuary, AON, is responsible for carrying out full valuations every three years. The latest full actuarial valuation was 31 March 2025. The outcome of this valuation was used as the basis for the valuation at 31 March 2025 and to set the level of contributions for employers from 1 April 2026 to 31 March 2029.

The benefits paid under the Scheme are based on length of membership and final salary. NILGOSC maintains a fund to provide for the payment of current and prospective benefits to members of the scheme. In order to ensure that this objective is achieved, the Committee must determine a suitable investment strategy, which provides both a high return on investments and an acceptable level of risk.

For any membership accrued before 1 April 2009, benefits will accrue at a rate of 1/80th of the employee’s final year pensionable pay and an automatic tax-free lump sum of three times their pension. For all membership accrued from 1 April 2009, benefits accrue at a rate of 1/60th of final pensionable pay for each year of service but with no automatic lump sum (members can choose to give up some of their pension to provide a lump sum). Additional Voluntary Contributions (AVC) can be paid through the NILGOSC in-house AVC provider, Prudential.

All assets, liabilities and operating costs relating to the pension scheme are accounted for in the Commission’s financial statements.

Employee contribution rates for all members for the period 1 April 2025 to 31 March 2026 were as follows:

Band	Range	Contribution rate
1	£0 to £18,300	5.5%
2	£18,301 to £28,100	5.8%
3	£28,101 to £47,000	6.5%
4	£47,001 to £57,200	6.8%
5	£57,201 to £113,500	8.5%
6	More than £113,500	10.5%

The employer contribution rate for 2025–26 was 14.7%. Further details about the NILGOSC pension scheme can be found in note 14 and at www.nilgosc.org.uk

The Civil Service and others pension scheme

Seconded employees are members of the Principal Civil Service Pension (PCSP) scheme. Further details about the PCSP scheme features and benefits can be found in the resource accounts of the Cabinet Office: Civil Superannuation, www.civilservicepensionscheme.org.uk.

The pension information for those listed in the PCSP scheme table below follows guidance in the Employer Pension notice EPN727 issued by the Civil Service Pensions. Pension benefits are provided through the Civil Service pension arrangements.

The Civil Servants and Others Pension Scheme or alpha, provides benefits on a career average basis with a normal pension age equal to the member's State Pension Age (or 65 if higher).

These statutory arrangements are unfunded with the cost of benefits met by monies voted by Parliament each year and increased annually in line with pensions increase legislation.

Other arrangements include money purchase pensions known as a 'partnership', which are available as an alternative. The employer makes a basic contribution of between 8% and 14.75% (depending on the age of the member). The employee does not have to contribute, but where they do make contributions, the employer will match these up to 3% of pensionable salary (in addition to the employer's basic contribution).

The pension figures quoted for officials in this report show combined pension earned in all schemes as appropriate.

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 CETV figures, and other pension details, include the value of any pension benefit in another scheme or arrangement which the individual has transferred to the NILGOSC or PCSP pension arrangements. They also include any additional pension benefit accrued to the member as a result of their purchasing additional years of pension service in the scheme at their own cost.

CETVs are calculated in accordance with The Occupational Pension Schemes (Transfer Values) (Amendment) Regulations 2015 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.

NILGOSC scheme (audited)

	Accrued pension at pension age as at 31 March 2026 £000	Real increase in pension and related lump sum at pension age £000	CETV at 31 March 2026 £000	CETV at 31 March 2025 £000	Real increase in CETV £000
Board members					
Commissioner for Investigations					
Peter Sheridan	5-10	2-5.5	118	58	42
Chief Executive Officer and Commissioner					
Louise Warde Hunter	5-10	2.5-5	90	33	40
Other officials					
Director of Finance and Corporate Services					
Josephine Kelly	0-5	0-2.5	9	-	6
Director of People and Culture					
Patricia Lyttle	0-5	0-2.5	18	-	12
Director of Reports and Findings					
Claire Welch	0-5	0-2.5	45	16	19
General Counsel					
Steven Bramley	0-5	2.5-5	87	35	36

Fair pay disclosures (audited)

Reporting bodies are required to disclose the relationship between the remuneration of the highest paid director in their organisation and the median remuneration of the organisation's workforce. Commissioners that are not also officials are excluded from the below information.

	2025–26	2024–25
Band of highest paid director (FYE total Remuneration)	£155,000-£160,000	£145,000-£150,000
Percentage change in pay for highest paid director	5%	0%
Median total pay and benefits ratio	3.16	2.95
Median total pay and benefits	£49,870	£50,000
Ratio between highest paid director and 25th percentile	3.32	3.21
25th percentile total pay and benefits	£47,495	£46,000
Ratio between highest paid director and 75th percentile	2.59	2.49
75th percentile total pay and benefits	£60,918	£59,246

Agency and temporary resources have been excluded from the above calculations as their pay arrangements would give rise to a distorted result and not be reflective of the pay across the entity as a whole nor provide a level of comparability to the previous financial year.

Total remuneration includes salary and benefits-in-kind. The Commission does not offer any non-consolidated performance-related pay, but if it did this would also be included. It does not include severance payments, employer pension contributions and the cash equivalent transfer value of pensions

The banded remuneration of the highest paid director in ICRIR in 2025–2026 was £155k-£160k (2024–25 £145k-£150k). This was 3.15 times (2024–25 3.0) the median remuneration of the workforce which was £49,870 (2024–25 £50,000). In 2025–26, no other employee received remuneration in excess of the highest paid director. Remuneration ranged from £32,008 to £156,874. In 2025–26, no other employee received remuneration in excess of the highest paid director. The increase in median, 25th, 50th and 75th percentile pay and benefits is mainly due to the

increase in the highest paid directors' band (from £140k-£145k to £155k-£160k). The percentage change from 2024-25 to 2025-26 for the employees taken as a whole was –1.59% for salary and benefits.

Staff report

Staff and Commissioner related costs (audited)

				Year ended 31 March 2026	Year ended 31 March 2025
	Permanently employed staff	Commissioners	Others (including loanees and inward secondments)	Total	Total
	£000	£000	£000	£000	£000
Wages and salaries	9,886	561	3,753	14,200	7,650
Social security costs	1,341	77	86	1,504	653
Other pension costs	1,490	46	220	1,756	924
Total staff costs	12,717	684	4,059	17,460	9,227

Staff numbers

At 31 March 2026, the Commission employed 260 staff (217.29 FTE). At 31 March 2025, the Commission employed 169 staff (166.85 FTE).

	2025–26	2024–25
Permanent staff	236	124
Others	24	45
Total	260	169

The average number of full-time equivalent persons employed during the period was as follows (audited):

	2025–26	2024–25
Permanent staff	182	121
Others	35	45
Total	217	166

Staff composition

The number of staff during the period and an analysis of staff-in-post (headcount) as at 31 March 2026 and 31 March 2025 by gender are shown below.

	2025–26			2024–25		
	Total staff employed	Executive Commissioners and ELT members	Others	Total staff employed	Executive Commissioners and ELT members	Others
Male	138	4	134	73	3	70
Female	122	4	118	96	3	93
Total composition	260	8	252	169	6*	163

*This figure is not inclusive of the individuals who left their posts within the reporting period. The Chief Commissioner is also not included given their status as a public appointee as opposed to an employee of the Commission.

Staff turnover

Staff turnover in the year was 13% (2024–25 24%).

Reporting of compensation schemes – exit packages (audited)

There were no exit packages in 2025–26 (2024–25 nil).

Reporting of expenditure on consultancy

The Commission incurred £0.357m expenditure on expert advice consultancy during 2025–26 (2024–25 £0.972m).

Reporting of off payroll engagements

There was 1 off payroll worker engagement at 31 March 2026 (2024–2025 4), earning £245 per day or greater, who existed for less than one year at the time of reporting and determined to be outside the scope of IR35. The individual was not a Board member or senior official with significant financial responsibility.

	2025–26
Number of off-payroll engagements of board members and/or senior officials with significant financial responsibility, between 1 April 2025 and 31 March 2026	-
Total number of individuals on payroll and off-payroll engagements that have been ‘Board members and/or senior officials with significant financial responsibility’, during the financial year. This figure includes both on payroll and off-payroll engagements.	12

Staff engagement and staff policies

There are a range of policies, procedures and guidance documents in place to support staff and line managers, including:

- Additional paternity leave.
- Adoption leave.
- Annual leave.
- Career break.
- Conduct and discipline.
- Disability support.
- Employee representative group.
- Equality diversity and inclusion.
- Flexible working.

- Flexitime.
- Grievance.
- Hybrid working.
- Learning and development .
- Managing performance.
- Managing poor performance.
- Maternity leave.
- Maternity support/Paternity leave.
- Overtime.
- Parental bereavement leave.
- Pay and pension.
- Probation.
- Raising a concern.
- Recruitment principles.
- Reward and recognition guidance .
- Shared parental leave.
- Special leave.
- Study leave.
- Supporting attendance.

Sickness absence

The total number of working days lost due to sickness during the year was 335 days (2024–25 152.5). The increase reflects, in part, a 53% growth in overall headcount compared with the same period last year. The average working days lost for staff members who took sick leave was five days. The average working days lost for those who took sick leave, but were not on long term sick leave, was three days.

Employment of people with disabilities and other employee matters

Employment training and advancement of disabled persons and other employee matters are reported on in the performance report.

Parliamentary accountability and audit report

The Commission has adopted arrangements designed to ensure compliance with relevant Government Functional Standards. Functional standards are reflected, where applicable, in organisational policies, procedures and internal controls. Assurance regarding the effectiveness of these arrangements is obtained through management review, internal audit work and oversight by the Audit and Risk Committee.

Parliamentary disclosures

Regularity of expenditure (audited)

All expenditure was applied to the purpose intended by Parliament.

Losses and special payments (audited)

There are no losses and special payments to report (2024–25 nil).

Remote contingent liabilities (audited)

There are no remote contingent liabilities to report (2024–25 nil).

Income in relation to fees and charges (audited)

No fees and charges were collected (2024–25 nil).

Long term expenditure trends

The Commission was originally established with business case approval for expenditure of up to £232m for a 10-year period.

The allocation of funding by financial year was established through the Spending Review process through to 2028–29. The long-term expenditure trends are that RDEL will be flat cash and that AME is increasing as in line in accordance with the Spending Review to 2028–29.

Due to the fact that the number of cases received by the Commission from Requesting Individuals has significantly exceeded that projected at establishment, in addition to new requirements that will be conveyed on the Legacy Commission by

the proposed Troubles Bill 2025, the Commission is engaging closely with the Northern Ireland Office to ensure sustainable funding throughout our lifetime.

A business case for additional funding was submitted to HM Treasury for consideration in March 2026 and is currently going through the requisite scrutiny and approval processes.

A handwritten signature in dark ink, reading "Ronnie Armour". The signature is written in a cursive style with a small dot above the 'i' in "Ronnie".

Ronnie Armour
Accounting Officer

08 September 2026

The certificate and report of the Comptroller and Auditor General to the Houses of Parliament

Opinion on financial statements

I certify that I have audited the financial statements of the Independent Commission for Reconciliation and Information Recovery for the year ended 31 March 2026 under the Northern Ireland Troubles (Legacy and Reconciliation) Act 2023.

The financial statements comprise the Independent Commission for Reconciliation and Information Recovery's Statement of Financial Position as at 31 March 2026; Statement of Comprehensive Net Expenditure, Statement of Cash Flows and Statement of Changes in Taxpayers' Equity for the year then ended; and the related notes including the significant accounting policies.

The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and UK adopted international accounting standards.

In my opinion, the financial statements:

- give a true and fair view of the state of the Independent Commission for Reconciliation and Information Recovery's affairs as at 31 March 2026 and its net expenditure for the year then ended; and
- have been properly prepared in accordance with the Northern Ireland Troubles (Legacy and Reconciliation) Act 2023 and Secretary of State directions issued thereunder.

Opinion on regularity

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

Basis for opinions

I conducted my audit in accordance with International Standards on Auditing (UK) (ISAs UK), applicable law and Practice Note 10 Audit of Financial Statements and Regularity of Public Sector Bodies in the United Kingdom (2024). My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of my certificate.

Those standards require me and my staff to comply with the Financial Reporting Council's Revised Ethical Standard 2024. I am independent of the Independent Commission for Reconciliation and Information Recovery in accordance with the

ethical requirements that are relevant to my audit of the financial statements in the UK. My staff and I have fulfilled our other ethical responsibilities in accordance with these requirements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Conclusions relating to going concern

In auditing the financial statements, I have concluded that the Independent Commission for Reconciliation and Information Recovery's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Independent Commission for Reconciliation and Information Recovery's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

My responsibilities and the responsibilities of the Accounting Officer with respect to going concern are described in the relevant sections of this report.

The going concern basis of accounting for the Independent Commission for Reconciliation and Information Recovery is adopted in consideration of the requirements set out in HM Treasury's Government Financial Reporting Manual, which requires entities to adopt the going concern basis of accounting in the preparation of the financial statements where it is anticipated that the services which they provide will continue into the future.

Other information

The other information comprises information included in the Annual Report, but does not include the financial statements and my auditor's certificate and report thereon. The Accounting Officer is responsible for the other information. My opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in my certificate, I do not express any form of assurance conclusion thereon.

My responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude

that there is a material misstatement of this other information, I am required to report that fact.

I have nothing to report in this regard.

Opinion on other matters

In my opinion the part of the Remuneration and Staff Report to be audited has been properly prepared in accordance with Secretary of State directions issued under the Northern Ireland Troubles (Legacy and Reconciliation) Act 2023.

In my opinion, based on the work undertaken in the course of the audit:

- the parts of the Accountability Report subject to audit have been properly prepared in accordance with Secretary of State directions made under the Northern Ireland Troubles (Legacy and Reconciliation) Act 2023; and
- the information given in the Performance and Accountability Reports for the financial year for which the financial statements are prepared is consistent with the financial statements and is in accordance with the applicable legal requirements.

Matters on which I report by exception

In the light of the knowledge and understanding of the Independent Commission for Reconciliation and Information Recovery and its environment obtained in the course of the audit, I have not identified material misstatements in the Performance and Accountability Reports.

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 by the Independent Commission for Reconciliation and Information Recovery or returns adequate for my audit have not been received from branches not visited by my staff; or
- I have not received all of the information and explanations I require for my audit; or
- the financial statements and the parts of the Accountability Report subject to audit are not in agreement with the accounting records and returns; or
- certain disclosures of remuneration specified by HM Treasury's Government Financial Reporting Manual have not been made or parts of the Remuneration and Staff Report to be audited is not in agreement with the accounting records and returns; or
- the Governance Statement does not reflect compliance with HM Treasury's guidance.

Responsibilities of the Accounting Officer for the financial statements

As explained more fully in the Statement of Accounting Officer's Responsibilities, the Accounting Officer is responsible for:

- maintaining proper accounting records;
- providing the C&AG with access to all information of which management is aware that is relevant to the preparation of the financial statements such as records, documentation and other matters;
- providing the C&AG with additional information and explanations needed for his audit;
- providing the C&AG with unrestricted access to persons within the Independent Commission for Reconciliation and Information Recovery from whom the auditor determines it necessary to obtain audit evidence;
- ensuring such internal controls are in place as deemed necessary to enable the preparation of financial statements to be free from material misstatement, whether due to fraud or error;
- preparing financial statements which give a true and fair view in accordance with Secretary of State directions issued under the Northern Ireland Troubles (Legacy and Reconciliation) Act 2023;
- preparing the annual report, which includes the Remuneration and Staff Report, in accordance with Secretary of State directions issued under the Northern Ireland Troubles (Legacy and Reconciliation) Act 2023; and assessing the Independent Commission for Reconciliation and Information Recovery's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Accounting Officer anticipates that the services provided by the Independent Commission for Reconciliation and Information Recovery will not continue to be provided in the future.

Auditor's responsibilities for the audit of the financial statements

My responsibility is to audit, certify and report on the financial statements in accordance with the Northern Ireland Troubles (Legacy and Reconciliation) Act 2023.

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a certificate that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Extent to which the audit was considered capable of detecting noncompliance with laws and regulations including fraud

I design procedures in line with my responsibilities, outlined above, to detect material misstatements in respect of non-compliance with laws and regulations, including fraud. The extent to which my procedures are capable of detecting noncompliance with laws and regulations, including fraud is detailed below.

Identifying and assessing potential risks related to non-compliance with laws and regulations, including fraud

In identifying and assessing risks of material misstatement in respect of noncompliance with laws and regulations, including fraud, I:

- considered the nature of the sector, control environment and operational performance including the design of the Independent Commission for Reconciliation and Information Recovery's accounting policies.
- inquired of management, the Independent Commission for Reconciliation and Information Recovery's head of internal audit and those charged with governance, including obtaining and reviewing supporting documentation relating to the Independent Commission for Reconciliation and Information Recovery's policies and procedures on:
 - identifying, evaluating and complying with laws and regulations;
 - detecting and responding to the risks of fraud; and
 - the internal controls established to mitigate risks related to fraud or noncompliance with laws and regulations including the Independent Commission for Reconciliation and Information Recovery's controls relating to the Independent Commission for Reconciliation and Information Recovery's compliance with the Northern Ireland Troubles (Legacy and Reconciliation) Act 2023 and Managing Public Money.
- inquired of management, the Independent Commission for Reconciliation and Information Recovery's head of internal audit and those charged with governance whether:
 - they were aware of any instances of non-compliance with laws and regulations;
 - they had knowledge of any actual, suspected, or alleged fraud;
- discussed with the engagement team and the relevant internal specialists, including pensions, regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, I considered the opportunities and incentives that may exist within the Independent Commission for Reconciliation and Information Recovery for fraud and identified the greatest potential for fraud in the following areas: posting of unusual journals, complex transactions and bias in management

estimates. In common with all audits under ISAs (UK), I am required to perform specific procedures to respond to the risk of management override.

I obtained an understanding of the Independent Commission for Reconciliation and Information Recovery's framework of authority and other legal and regulatory frameworks in which the Independent Commission for Reconciliation and Information Recovery operates. I focused on those laws and regulations that had a direct effect on material amounts and disclosures in the financial statements or that had a fundamental effect on the operations of the Independent Commission for Reconciliation and Information Recovery. The key laws and regulations I considered in this context included the Northern Ireland Troubles (Legacy and Reconciliation) Act 2023, Managing Public Money, employment law, pensions legislation and tax legislation.

Audit response to identified risk

To respond to the identified risks resulting from the above procedures:

- I reviewed the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described above as having direct effect on the financial statements;
- I enquired of management, the Audit and Risk Committee and in-house legal counsel concerning actual and potential litigation and claims;
- I reviewed minutes of meetings of those charged with governance and the Board and internal audit reports;
- I addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and other adjustments; assessing whether the judgements on estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business; and
- I communicated relevant identified laws and regulations and potential risks of fraud to all engagement team members including internal specialists and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

A further description of my responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of my certificate.

Other auditor's responsibilities

I am required to obtain sufficient appropriate audit evidence to give reasonable assurance that the expenditure and income recorded in the financial statements have been applied to the purposes intended by Parliament and the financial

transactions recorded in the financial statements conform to the authorities which govern them.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control I identify during my audit.

Report

I have no observations to make on these financial statements.

Gareth Davies
Comptroller and Auditor General

09 September 2026

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

Financial statements

Statement of Comprehensive Net Expenditure for the year ended 31 March 2026

		For the year ended 31 March 2026	As restated (see note 19) For the year ended 31 March 2025
	Note	£000	£000
Staff costs	2	17,460	9,227
Purchase of goods and services	3	4,876	4,393
Depreciation and impairment charges	3	1,347	956
Other operating expenditure	3	1,198	1,029
Total operating expenditure		24,881	15,605
Net operating expenditure		24,881	15,605
Finance income	4	(118)	(18)
Finance expense	5	310	52
Net expenditure for the period		25,073	15,639
Other comprehensive expenditure:			
Items that will not be reclassified to net expenditure:			
• Net gain on revaluation on PPE		(114)	-
• Return on plan assets (excluding amounts included in net interest)	14d	(141)	1
• Actuarial (gain)/loss arising from changes in financial assumptions	14d	(44)	-
• Actuarial (gain)/loss arising from changes in demographic assumptions	14d	22	-
• Actuarial (gain)/loss arising from liability experience	14d	361	(235)
• Adjustment arising from asset ceiling (unrecognised surplus)	14d	(170)	234
• Adjustment arising from minimum funding requirement (IFRIC 14)	14d	335	-
Total other comprehensive net expenditure		249	-
Total comprehensive net expenditure for the year		25,322	15,639

The notes on pages 81 to 116 form part of these accounts.

Statement of Financial Position as at 31 March 2026

		31 March 2026	As restated (see note 19) 31 March 2025
	Note	£000	£000
Non-current assets:			
Property, plant and equipment	6	6,852	4,612
Right of use assets	7	8,018	8,821
Total non-current assets		14,870	13,433
Current assets:			
Trade and other receivables	10	413	499
Total current assets		413	499
Total assets		15,283	13,932
Current liabilities:			
Trade and other payables	11	18,210	6,687
Lease liabilities	11	549	4,012
Total current liabilities		18,759	10,699
Total assets less current liabilities		(3,476)	3,233
Non-current liabilities:			
Lease liabilities	11	3,969	4,356
Provisions	13	918	918
Retirement benefit obligation	14	335	-
Total non-current liabilities		5,222	5,274
Total assets less total liabilities		(8,698)	(2,041)
Taxpayers' equity:			
General fund		(8,812)	(2,041)
Revaluation reserve		114	-
Total equity		(8,698)	(2,041)

The notes on pages 81 to 116 form part of these accounts.

Ronnie Armour

Ronnie Armour
Accounting Officer

08 September 2026

Statement of Cash Flows for the period ended 31 March 2026

		For the year ended 31 March 2026	As restated For the year ended 31 March 2025
	Note	£000	£000
Cash flows from operating activities:			
Net operating expenditure		(24,881)	(15,605)
Adjustments for non-cash transactions:			
• Pension adjustment		335	-
• Depreciation	3	1,347	956
		1,682	956
Decrease in trade and other receivables	10	87	(224)
Increase in trade and other payables	11	9,617	4,270
Net cash outflow from operating activities		(13,495)	(10,603)
Cash flows from investing activities:			
Purchase of non-current assets for leasehold improvements	6	(832)	(4,489)
Movement in provision for non-current asset	13	-	918
Net cash outflow from investing activities		(832)	(3,571)
Cash flows from financing activities:			
Grants from sponsoring department		18,665	14,278
Capital element of payments in respect of leases	12	(4,146)	(70)
Finance income on pension asset	4	118	18
Finance expense on lease liabilities	5	(259)	(46)
Finance expense on pension obligation	5	(51)	(6)
Net financing		14,327	14,174
Net decrease in cash and cash equivalents in the period		-	-
Cash and cash equivalents at the beginning of the period		-	-
Cash and cash equivalents at the end of the period		-	-

The notes on pages 81 to 116 form part of these accounts.

Statement of changes in Taxpayers' Equity for the year ended 31 March 2026

	General fund £000	Revaluation reserve £000	Taxpayers' equity £000
Balance at 01 April 2024	(680)	-	(680)
Comprehensive net expenditure for the year restated	(15,639)	-	(15,639)
Actuarial gain on pension scheme	(235)	-	(235)
Return on revaluation of pension scheme assets	1	-	1
Restriction on pension surplus	234	-	234
Financing provided by sponsor department	14,278	-	14,278
Balance at 31 March 2025 restated	(2,041)	-	(2,041)
Comprehensive net expenditure for the year	(25,073)	-	(25,073)
Net gain on revaluation of property, plant and equipment		114	114
Actuarial loss on pension scheme	(169)	-	(169)
Return on revaluation of pension scheme assets	141	-	141
Adjustment loss due to a minimum funding requirement	(335)	-	(335)
Financing provided by sponsor department	18,665	-	18,665
Balance at 31 March 2026	(8,812)	114	(8,698)

The notes on pages 81 to 116 form part of these accounts.

Notes to the accounts

1. Statement of accounting policies 2025–26

a. Basis of preparation

The financial statements have been prepared in accordance with the 2025–26 Government Financial Reporting Manual (FReM) 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 Commission for the purpose of giving a true and fair view has been selected. The particular policies adopted by the Commission are described below. They have been applied consistently in dealing with items that are considered material to the accounts.

The financial statements have been prepared in accordance with the Northern Ireland Troubles (Legacy and Reconciliation) Act 2023.

The Accounts Direction was issued on 18 December 2025 to the Commission.

The financial statements are stated in sterling, which is the Commission's functional and presentational currency. Unless otherwise noted, the amounts shown in these financial statements are in thousands of pounds sterling (£000).

2025–26 was the second full financial year of operation by the Commission.

Going concern

On 19 September 2025, the UK and Irish Governments announced a joint framework to address the Legacy of the Troubles. This framework sets out proposed changes to the Commission's underpinning legislation with the expectation that our work will continue. Under the FReM interpretation of IAS1 Presentation of Financial Statements, as the Commission's activities will continue to be provided and the purpose of the Commission will not change, we have continued to prepare these financial statements on a going concern basis.

The Commission prepares financial statements in accordance with the UK Government Financial Reporting Manual (FReM), which has adapted going concern for non-trading entities to be based on the anticipated continuation of the provision of a service in the future, as evidenced by inclusion of financial provision for that service in published documents.

The Commission's sponsoring body is the Northern Ireland Office (NIO) as laid out in the Northern Ireland Troubles (Legacy and Reconciliation) Act 2023. The Commission's budget for 2026–27 has been approved by the Northern Ireland

Office, with the 2026–27 budget reflecting the 2025 Spending Review (SR) phase 1 settlement.

The Commission has also received a further three-year financial settlement as part of the UK Government Spending Review phase 2 covering the period up to 2028–29. The Commission's investigative expenses are met through the Annually Managed Expenditure (AME) process and as such were not included in the SR. The treatment of these costs as AME was not changed in the SR.

Following confirmation of the 2026–27 funding settlement, the Commission has now established that we cannot currently reclaim VAT on non-business activities through the Section 126 VAT Reclaim process. An application has been made for inclusion on an HM Treasury Order under Section 33E, which is likely to take some months to approve. Whilst this will result in a budget pressure in 2026–27, the Commission will manage this through a range of measures including bidding for additional funding through the Supplementary Estimates process, and reviewing planned expenditure on discretionary areas.

As a result of the measures set out above and the Spending Review settlement the Accounting Officer has reasonable expectation that the Commission can continue for a period of 12 months from the date of approval of the Annual Report and Accounts, and it has accordingly been considered to adopt a going concern basis for the preparation of the 2025–26 financial statements.

Accounting convention

These accounts have been prepared under the historical cost convention modified to account for the revaluation of property, plant and equipment and intangible assets.

b. Financing

The Commission is resourced by funds approved by Parliament through the annual Supply process via grant in aid from its sponsor department the NIO.

c. Value Added Tax

The Commission is not currently registered for VAT and is therefore unable to recover VAT incurred on its purchases. Accordingly, all expenditure and non-current assets are stated inclusive of VAT, where applicable. VAT incurred is charged to the Statement of Comprehensive Net Expenditure or capitalised as part of the cost of the related asset, as appropriate.

d. Staff costs

Under IAS19 Employee Benefits, all staff costs must be recorded as an expense as soon as the organisation is obligated to pay them. This includes the costs of any

untaken leave as at the year end. The cost of untaken leave has been determined using data from staff leave records.

e. Property, plant and equipment

Expenditure on property, plant and equipment of over £5,000 is capitalised.

Property, plant and equipment are stated at fair value, which is deemed to be the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Property, plant and equipment are carried at current value in existing use. Assets are subject to regular professional valuation and, in intervening years, values are updated using appropriate indices published by the Office for National Statistics and other relevant sources where applicable.

Assets under construction are shown at cost and relate to assets which are incomplete but for which the Commission has incurred a liability.

In compliance with IAS16, subsequent expenditure on an asset which does not meet the criteria of enhancement or improvement is expensed through the Consolidated Statement of Comprehensive Net Expenditure.

Upward revaluations are credited to the Revaluation Reserve and permanent reductions in the value of property, plant and equipment are charged to the Statement of Comprehensive Net Expenditure. Any subsequent revaluation of assets is credited to the Statement of Comprehensive Net Expenditure to the extent that it reverses previous revaluation decreases recognised as an expense in the Statement of Comprehensive Net Expenditure.

f. Depreciation

Non-current assets are depreciated at rates calculated to write them down to estimated residual value on a straight-line basis over their estimated useful lives. Depreciation is calculated from the first day of the month the asset is capitalised.

Estimated useful lives, which are reviewed regularly, are:

Asset category	Useful life
Right of use assets	The life of the lease
Leasehold improvements	The life of the lease
Assets under construction	No depreciation

g. Impairment of assets

The Commission's tangible assets are assessed annually to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any.

If the recoverable amount is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is taken to the Statement of Comprehensive Net Expenditure, unless the impairment losses do not result from a clear consumption of economic benefit or reduction in service potential, in which case the impairment loss should be taken to the revaluation reserve.

h. Financial instruments

IFRS9 requires an entity to recognise a financial asset or a financial liability in its Statement of Financial Position when it becomes party to the contractual provisions of the instrument.

Receivables

Receivables do not carry any interest and are recognised at fair value. No expected credit loss provision has been required as at 31 March 2026.

Cash and cash equivalents

Cash and cash equivalents comprise cash in hand and current balances with banks which are readily convertible to known amounts of cash and which are subject to insignificant risk of changes in value and have an original maturity of three months or less.

Trade and other payables

Financial liabilities within trade and other payables are recognised at fair value, which is usually the original invoiced amount.

i. Leases

Lease liability

IFRS16 (leases) introduced a single lease accounting model that requires a lessee to recognise assets and liabilities for all leases.

All lease contracts are assessed at inception to determine whether they constitute, or contain, a lease. If so, then a right-of-use asset and a corresponding lease liability are recognised, except for short-term leases

(defined as leases with a lease term of 12-months or less) and leases of low value assets (defined as assets with a value less than the applicable capitalisation threshold; for these leases, the lease payments are recognised as an operating expense on a straight-line basis over the term of the lease.

Although agreements between UK Government bodies are not legally enforceable, any intra-UK Government lease agreements are treated as if they constituted a legally enforceable contract, and therefore a lease liability and a corresponding right-of-use asset are recognised.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the incremental borrowing rate, as promulgated by HM Treasury, is used, in line with HM Treasury guidance issued under Public Expenditure System (PES) papers.

Where there is a rent review within the lease contract term and break clauses are not being exercised, the revised rent for the next term of the lease (for the purposes of calculating the lease liability) will be assumed to increase in line with the compounded indexation from year one of the lease term.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability and by reducing the carrying amount to reflect the lease payments made.

The lease liability is re-measured (with a corresponding adjustment being made to the related right-of-use asset) whenever:

- The lease term has changed or there is a change in the assessment of exercise of a purchase option.
- The lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value.
- A lease contract is modified and the lease modification is not accounted for as a separate lease.

Right of use asset

Right-of-use assets are initially measured at the value of the corresponding lease liability, plus lease payments made at or before the commencement day and any initial direct costs. They are subsequently measured at cost (as a proxy for fair value) less accumulated depreciation and impairment losses. The Commission will not enter into any long-term leases, defined as leases with a term of 25-years or more.

The cost is deemed an appropriate proxy for fair value as right of use assets generally have shorter useful lives and values than their respective underlying assets.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects the expectation that a purchase option will be exercised, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

Dilapidations

Dilapidations costs in respect of leases, are an estimate of the expenditure required to return vacated leased buildings to the original condition at the date of commencement of the lease.

The dilapidations estimate is calculated through one of two options:

- Fit-out works are materially complete at year end—the Commission will engage a third-party expert to conduct a survey and produce a report estimating the future dilapidations costs.
- Fit-out works are ongoing at year end—a dilapidations estimate is obtained from the property landlord and pro-rated against the square meterage of the leased space, or the cost estimate per square foot will be taken from the most recent dilapidations valuation report and applied to the square meterage in the building that still has fit-out works to complete, to estimate the future expenditure to return that space to its original condition.

j. Employee benefits

From 1 April 2024, the Commission employees became members of the Local Government Pension Scheme (Northern Ireland) (NILGOSC), a funded defined benefit pension scheme providing pension benefits for employees of Northern Ireland local authorities and other admitted bodies.

All Commission employees were admitted to the NILGOSC scheme upon commencement of employment. Employees who joined the Commission prior to 1 April 2024 were admitted to the NILGOSC scheme on 1 April 2024 and had their entitlement backdated to the date they joined the Commission.

In accordance with IAS19 (Employee Benefits) the scheme managers/trustees are required to undertake a sensitivity analysis for each significant actuarial assumption as at the end of the reporting period, showing how the defined benefit obligation would have been affected by changes in the relevant actuarial assumptions that

were reasonably possible at that date. This analysis, including details of the methods and assumptions used in preparing the sensitivity analysis, are set out in note 14 to the Accounts.

The pension costs are assessed in accordance with the advice of independent qualified actuaries using the market-led approach. The latest actuarial valuation of the scheme was at 31 March 2025.

Pension scheme assets are measured using market value. Pension scheme liabilities are measured using the projected unit method and discounted at the current rate of return on a high-quality corporate bond of equivalent term to the liability. Pension scheme assets are only recognised on the Statement of Financial Position if there are expected future economic benefits to the Commission.

The increase in the present value of the liabilities of the Commission's defined benefit pension scheme arising from employee service in the period is charged to the Statement of Comprehensive Net Expenditure so as to recognise the cost of pensions over the employees' working lives.

Actuarial gains and losses are recognised in Other Comprehensive Net Expenditure.

Paragraph 64 of IAS19 states that "when an entity has a surplus in a defined benefit plan, it shall measure the net defined benefit asset at the lower of: (a) the surplus in the defined benefit plan and (b) the asset ceiling, determined using the discount rate". The asset ceiling is the "present value of any economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan".

Staff who are on loan to the Commission from other entities will continue in the pension schemes of their parent entity, the cost of which is recharged to the Commission as part of staff costs.

Further details regarding the above schemes are contained in the remuneration and staff report.

k. 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.

The Commission also provides for estimated costs of future repairs and/or obligations to restore a property to its original condition at the end of the lease.

For any provisions extending beyond one year the provision is discounted using the nominal discount rate as quoted in the HM Treasury guidance issued under Public Expenditure System (PES) papers under Discount Rates for General Provisions,

Post Employment Benefits, Financial Instruments and Leases (under IFRS16):
Announcement of Rates.

I. Contingent liabilities

Contingent liabilities are disclosed in the notes to the financial statements in accordance with IAS37 Provisions, Contingent Liabilities and Contingent Assets. Where the time value of money is material, contingent liabilities which are required to be disclosed under IAS37 are stated at discounted amounts and the amount reported to Parliament separately noted.

Remote contingent liabilities outside the scope of IAS37 but requiring Parliamentary reporting in accordance with the requirements of Managing Public Money are disclosed in the Parliamentary Accountability and Audit section of the Accountability Report.

m. Analysis of net expenditure by segment

In line with the provisions of IFRS8, Operating Segments, the Commission does not normally analyse its net expenditure by operating segments and no such disclosure is required.

n. 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 management to exercise its judgement in the process of applying the Commission's accounting policies. The Commission continually evaluates the 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:

Leases

Each of the property leases the Commission has entered into have a break clause at 5 years. Management have considered the likelihood of the Commission exercising the right to break the lease at year 5 as unlikely, as it is the intention to operate out of these locations for at least 10 years. The lease liability has therefore been calculated over a 10-year lease period.

Last year the Commission's London base was originally negotiated as a short-term lease while negotiations for a longer-term lease were progressing. The lease has now been signed and has been recognised in the accounts as a Right of Use asset in this financial year.

Dilapidations estimate

In 2024–25 a dilapidation provision was accounted for in the Annual Report and Accounts for our London site on the basis equal to the cost of the fit-out works completed in that period.

In 2025–26 an independent external surveyor completed a review of the dilapidation assessment provision and suggested a settlement figure that was in line with our provision, after taking into consideration the commercial value of retaining the fit-out on the basis that the area would not need reinstatement.

Post retirement benefits

The Commission accounts for pensions and other post-retirement benefits in line with IAS19. In determining the pension cost and the defined benefit obligation of the pension scheme, a number of assumptions are used by the Actuary. These include the discount rate, salary growth, price inflation, the expected return on the schemes investments and mortality rates. Further details are contained in the staff report and note 14.

o. Prior period adjustment

In accordance with IAS8 a material error was identified in the 2024–25 financial statements. In line with the financial accounting standard, the error has been corrected and comparative amounts restated. Further details can be found in note 19 to these accounts.

p. Accounting standards, interpretations and amendments to published standards not yet effective

The following standards or interpretations have been issued by the International Accounting Standards Board but have not been adopted:

IFRS 18—Presentation and Disclosure in Financial Statements was issued in April 2024, replacing IAS1 (Presentation of Financial Statements), and is effective for accounting periods beginning on or after 1 January 2027. IFRS 18 will be implemented, as interpreted and adapted for the public sector if required, from a future date (not before 2027–28) that will be determined by the UK Financial Reporting Advisory Board in conjunction with HM Treasury following analysis of this new standard. Management currently assesses that there will be minimal impact on application to the Commission's financial statements.

IFRS 19—Subsidiaries without Public Accountability. Due to the nature of public sector reporting, we do not anticipate that there will be a significant impact from IFRS 19 on the Commission’s financial statements on introduction.

2. Staff costs

More detail on staff numbers can be found in the remuneration and staff report.

	For the year ended 31 March 2026 £000	Restated For the year ended 31 March 2025 £000
Wages and salaries	14,200	7,650
Social security costs	1,504	653
Other pension costs	1,756	924
Total staff costs	17,460	9,227

3. Other expenditure

	For the year ended 31 March 2026 £000	Restated For the year ended 31 March 2025 £000
Purchase of goods and services:		
Professional fees	1,327	1,216
Consultancy	357	972
Maintenance and utilities	1,636	965
IT expenditure	1,099	637
Research	161	-
Legal costs	115	387
Communications, office supplies and services	66	111
Advertising	48	81
Managed services	40	3
Insurance	27	21
	4,876	4,393
Non-cash items:		
PPE depreciation (note 6)	508	450
ROU asset depreciation (note 7)	839	506
	1,347	956
Other expenditure:		
Audit fee	191	160
Travel and subsistence	663	466
Events and conferences	74	137
Training costs	162	150
All other expenditure	108	116
	1,198	1,029
Total other expenditure	7,421	6,378

During the year the Commission did not purchase any non-audit services from its auditor, the National Audit Office.

4. Finance income

The Commission does not generate income from its operating activities however has recognised finance income from the assets in the defined benefit pension scheme.

	For the year ended 31 March 2026 £000	For the year ended 31 March 2025 £000
Interest on pension scheme assets	118	18
Total income	118	18

5. Finance expense

	For the year ended 31 March 2026 £000	For the year ended 31 March 2025 £000
Interest on pension obligation	51	6
Finance lease interest	259	46
Total finance expense	310	52

6. Property, plant and equipment

	Leasehold improvements	Total
Cost or valuation	£000	£000
At 31 March 2024	351	351
Additions	4,710	4,710
At 31 March 2025	5,061	5,061
Additions	2,635	2,635
Revaluation	140	140
At 31 March 2026	7,836	7,836
Depreciation:		
At 1 April 2024	-	-
Charged in year	450	450
At 1 April 2025	450	450
Charged in year	508	508
Revaluation	26	26
At 31 March 2026	984	984
Carrying amount		
At 31 March 2026	6,852	6,852
At 31 March 2025	4,612	4,612

7. Right of use leased assets

	Leasehold	Total
Cost or valuation	£000	£000
At 1 March 2024	987	987
Additions	8,339	8,339
At 31 March 2025	9,326	9,326
Additions	37	37
At 31 March 2026	9,363	9,363
Depreciation		
At 1 March 2024	-	-
Charged in year	506	506
At 31 March 2025	506	506
Charged in year	839	839
At 31 March 2026	1,345	1,345
Carrying amount		
At 31 March 2026	8,018	8,018
At 31 March 2025	8,821	8,821

8. Financial instruments

As the cash requirements of the Commission are met through the Estimates process, financial instruments play a more limited role in creating and managing risk than would apply to a non-public sector body of a similar size. The majority of financial instruments relate to contracts for non-financial items in line with the Commission's expected purchase and usage requirements and the department is therefore exposed to little credit, liquidity or market risk.

9. Cash and cash equivalents

The following balances were held at commercial banks and cash in hand.

	2025–26	2024–25
	£000	£000
Balance at 1 April	-	-
Net change in cash and cash equivalent balances	-	-
Balance at 31 March	-	-

Grant in aid is provided as cash is required, as a result the Commission did not hold a cash balance at 31 March 2026.

10. Trade receivables, financial and other assets

	2025–26	Restated 2024–25
	£000	£000
Amounts falling due within one year		
VAT receivables	-	-
Prepayments	410	497
Other debtors	3	2
Total	413	499

11. Trade payables and other current liabilities

	2025–26	2024–25
	£000	£000
Amounts falling due within one year:		
Accruals and deferred income*	15,368	6,096
Capital accruals	2,419	579
Other payables**	423	12
Current element of lease liabilities	549	4,012
	18,759	10,699
Amounts falling due after one year:		
Leases liabilities	3,969	4,356
Total	22,728	15,055

*The significant increase in accruals and deferred income represents staff costs of £9m that had not been invoiced at the year-end by the NIO.

**Other payables is a credit balance in the cash clearing account and reflects supplier invoices cleared for payment at 31 March, yet to clear the bank account. ICRIR's bank account is funded by the NIO when a payment run is approved. This is then cleared when the payment hits the bank and funds flow out. This is a timing difference at year end reflecting the account being funded but not yet cleared.

12. Leases

	Leasehold	Total
Lease liabilities	£000	£000
At 1 April 2025	8,368	8,368
Additions	37	37
Interest on lease liabilities	259	259
Cash payment	(4,146)	(4,146)
At 31 March 2026	4,518	4,518

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

	2025–26	2024–25
	£000	£000
No later than one year	549	4,012*
Later than one year and not later than five years	1,842	1,614
Later than five years	2,127	2,742
Balance at 31 March	4,518	8,368

*Of this total, £3.5m relates to the payment of the capital costs which are deemed to be the lease consideration for the Northern Ireland operational premises. This amount consists of two invoices both of which were paid in April 2025.

In addition to the lease for the operational office in Belfast, we have also accounted for the lease of our London office. The Belfast headquarters lease was initially recognised in the 2023–24 Annual Report and Accounts.

13. Provisions

A dilapidation survey was conducted on the Belfast office in June 2025. The results of this survey were used to estimate the provision for dilapidations on the Belfast office as well as calculate the provision for the London office, based on the cost per square metre and applied to the works carried out. The London works are now also complete, and a survey was commissioned to estimate the dilapidation costs for this work and the provision updated accordingly.

The amount included below represents the best estimate of the expenditure required to settle the obligation at the date of approval of the financial statements.

	Dilapidations	Total
	£000	£000
Balance at 1 April 2025	918	918
Provided in the year	-	-
Balance at 31 March 2026	918	918

Analysis of expected timing of cashflows:

	Dilapidations	Total
	£000	£000
Not later than one year	-	-
Later than one year and not later than 5 years	-	-
Later than 5 years	918	918
Balance at 31 March 2026	918	918

Sensitivity analysis

The dilapidations provision is sensitive to the cost per square metre assumptions used. The approximate impact of changing this key assumption for each of our locations is set out below. In each case, only the assumption mentioned is altered, all other assumptions remain the same.

Cost per square metre assumption (£/sqm)

		Base figure	
Adjustment to £/sqm	+£150/sqm	£000	-£150/sqm
Belfast (£000)	501	419	338
	19.44%		(19.44%)
London (£000)	592	499	406
	18.57%		(18.57%)

14. Retirement benefit obligation

	2025–26	2024–25
	£000	£000
Pension asset/(liability)	(335)	-

The disclosures below relate to the funded liabilities within the Northern Ireland Local Government Officers' Superannuation Pension Fund (the Fund) which is part of the Local Government Pension Scheme (Northern Ireland) (the LGPS).

The LGPS is a funded defined benefit plan with benefits earned up to 31 March 2015 being linked to final salary. Benefits after 31 March 2015 are based on a Career Average Revalued Earnings scheme. Details of the benefits earned over the period covered by this disclosure are set out in The Local Government Pension Scheme Regulations (Northern Ireland) 2014 (as amended) and The Local Government Pension Scheme (Amendment and Transitional Provisions) Regulations (Northern Ireland) 2014 (as amended).

Funding/governance arrangements

The funded nature of the LGPS requires the Commission and its employees to pay contributions into the Fund, calculated at a level intended to balance the pension liabilities with investment assets. For 2025–26 the contribution rates were 14.7% employers' and ranging between 5.5% and 10.5% employees'.

The last actuarial valuation was at 31 March 2025 and the contributions to be paid until 31 March 2025 resulting from that valuation are set out in the Fund's Rates and Adjustment Certificate.

The Northern Ireland Local Government Officers' Superannuation Committee is responsible for the governance of the Fund.

Assets

The assets allocated to the Employer in the Fund are notional and are assumed to be invested in line with the investments of the Fund for the purposes of calculating the return over the accounting period. The Fund holds a significant proportion of its assets in liquid investments. As a consequence, there will be no significant restriction on realising assets if a large payment is required to be paid from the Fund in relation to an employer's liabilities. The assets are invested in a diversified spread of investments and the approximate split of assets for the Fund as a whole (based on data supplied by the Committee) is shown in the disclosures. The Committee may invest a small proportion of the Fund's investments in the assets of some of the

employers participating in the Fund if it forms part of their balanced investment strategy.

Risks

Asset volatility

The liabilities used for accounting purposes are calculated using a discount rate set with reference to corporate bond yields at the accounting date. If assets underperform this yield this will create a deficit in the accounts. The Fund holds a significant proportion of growth assets which, while expected to outperform corporate bonds in the long term, creates volatility and risk in the short term in relation to the accounting figures.

Changes in bond yield

A decrease in corporate bond yields will increase the value placed on the liabilities for accounting purposes although this will be marginally offset by the increase in the assets as a result (to the extent the Fund invests in corporate bonds).

Inflation risk

The majority of the pension liabilities are linked to either pay or price inflation. Higher inflation expectations will lead to a higher liability value. The assets are not perfectly correlated with inflation meaning that an increase in inflation will increase the deficit.

Life expectancy

The majority of the Fund's obligations are to provide benefits for the life of the member following retirement, so increases in life expectancy will result in an increase in the liabilities.

Exiting employers

Employers which leave the Fund (or their guarantor) may have to make an exit payment to meet any shortfall in assets against their pension liabilities. If the Employer (or guarantor) is not able to meet this exit payment the liability may in certain circumstances fall on other employers in the Fund. Further, the assets at exit in respect of 'orphan liabilities' may, in retrospect, not be sufficient to meet the liabilities. This risk may fall on other employers. Orphan liabilities are currently a small proportion of the overall liabilities in the Fund.

The principal assumptions used by the actuary in updating the latest valuation of the Fund for IAS19 purposes were:

a) Principal Financial Assumptions (% per annum)

	2025–26	2024–25
Duration of liabilities (years)	19.5	21.1
	%PA	%PA
Discount rate	6.2	5.8
CPI Price Inflation (pension increase)	2.8	2.5
Salary increases	4.3	3

b) Mortality assumptions

The mortality assumptions are based on actual mortality experience of members within the Fund based on analysis carried out as part of the 2025 Actuarial Valuation and allow for expected future mortality improvements. Sample life expectancies at age 65 resulting from these mortality assumptions are shown below.

	2025–26	2024–25
Males:		
Pensioner member aged 65 at accounting date	22.0	21.6
Active member aged 45 at accounting date	22.3	22.2
Females:		
Pensioner member aged 65 at accounting date	25.3	24.5
Active member aged 45 at accounting date	25.6	25.2

c) Asset allocation

The approximate split of assets for the Fund as a whole is shown in the table below.

	Asset split		
	At 31 March 2026 (%)		
	Quoted	Unquoted	Total
Equities	43.1	-	43.1
Property	-	9.7	9.7
Government	21.4	-	21.4
Corporate bonds	4.1	-	4.1
Multi asset credit	13.2	-	13.2
Cash	2.7	-	2.7
Other	-	5.8	5.8
Total	84.5	15.5	100.0

Reconciliation of funded status to Statement of Financial Position (SoFP)

	31 March 2026	31 March 2025
	£000	£000
Fair value of assets	3,055	766
Present value of funded defined benefit obligation	(2,977)	(532)
Funded status	78	234
Unrecognised asset	(78)	(234)
Additional liability due to minimum funding requirement	(335)	-
Asset/(liability) recognised on the SoFP	(335)	-

This table shows the funded status as a £78k surplus. IFRIC 14 The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction

provides guidance on the recognition of the surplus through both reduced contributions and through refunds from the plan.

The actuary, AON, have completed the calculation of the potential surplus that could be recovered through reduced contributions in the future, determining an asset ceiling of £0.

Additionally, refunds are only possible when an employer exits the fund and will depend on the exit terms in force at the date of exit. Given the uncertainty of when the Commission may exit the fund and the conditions and terms prevalent at that point being unknown, the likelihood and value of any refund is also unknown.

The surplus has therefore not been recognised in the Statement of Financial Position at 31 March 2026. The pension fund was in surplus by £0.078 million at 31 March 2026. However, in accordance with IAS19 and IFRIC 14, the surplus was not recognised as the Commission could not demonstrate an unconditional right to realise economic benefits from that surplus. In addition, an IFRIC 14 minimum funding requirement liability of £0.335 million was recognised. This liability represents the present value of future deficit recovery contributions payable under the Fund's agreed funding plan that are not expected to be recoverable through future contribution reductions or refunds.

The split of the liabilities at the last valuation date between the various categories of members was as follows:

Member category	%
Active members	99
Deferred pensioners	1
Pensioners	0

d) Breakdown of amounts recognised in statement of comprehensive net expenditure (SoCNE) and other comprehensive expenditure (OCE)

	31 March 2026	31 March 2025
Amount charged to net expenditure account	£000	£000
Operating cost:		
Current service cost*	1,396	518
Past service cost (including curtailments)	-	-
Settlement cost	-	-
Financing cost:		
Interest on net defined benefit asset	(53)	(12)
Interest on unrecognised asset	14	-
Total pension expense recognised in the SoCNE	1,357	506
Re-measurements in other comprehensive expenditure:		
Return on plan assets below that recognised in net interest	(141)	1
Actuarial (gains)/losses due to change in financial assumptions	(44)	(227)
Actuarial (gains)/losses due to change in demographic assumptions	22	(6)
Actuarial (gains)/losses due to liability experience	361	(2)
Adjustment (gains)/losses in respect of unrecognised asset	(170)	234
Adjustment loss (gain) due to minimum funding requirement	335	-
Total amount recognised in other comprehensive expenditure	363	-
Total amount recognised in SoCNE and other comprehensive income	1,720	506

*The current service cost includes an allowance for the administration expenses of £0.038m.

e) Changes to the present value of defined benefit obligation during the accounting period

	31 March 2026	31 March 2025
	£000	£000
Opening defined benefit obligation	532	-
Current service cost	1,396	518
Interest expense on defined benefit obligation	51	6
Contributions by participants	721	261
Actuarial (gains)/losses due to changes in financial assumptions	(44)	(227)
Actuarial (gains)/losses due to changes in demographic assumptions	22	(6)
Actuarial (gains)/losses due to liability experience	361	(2)
Net benefits paid out	(62)	(18)
Past service costs (including curtailments)	-	-
Net increase in liabilities from disposals/acquisitions	-	-
Settlements	-	-
Closing defined benefit obligation	2,977	532

f) Changes to the fair value of assets during the accounting period

	31 March 2026	31 March 2025
	£000	£000
Opening fair value of assets	766	-
Interest income on assets	104	18
Re-measurement gains/(losses) on assets	141	(1)
Contributions by the employer	1,385	506
Contributions by participants	721	261
Net benefits paid out	(62)	(18)
Net increase in liabilities from disposals/acquisitions	-	-
Settlements	-	-
Closing fair value of assets	3,055	766

g) Actual return on assets

	31 March 2026	31 March 2025
	£000	£000
Interest income on assets	104	18
Re-measurement gain / (loss) on assets	141	(1)
Actual return on assets	245	17

h) Sensitivity analysis

The results shown above are sensitive to the assumptions used. The approximate impact of changing the key assumptions on the present value of the funded defined benefit obligation as at 31 March 2026 and the projected services cost for the year ending 31 March 2027 are set out below. In each case, only the assumption mentioned is altered, all other assumptions remain the same and are summarised in the notes above. Sensitivity of unfunded benefits (where applicable) are not included on materiality grounds.

Discount rate assumption

Adjustment to discount rate	+0.1 p.a.	Base figure	-0.1 p.a.
Present value of total obligation (£000)	2,920	2,977	3,037
% change in present value of total obligation	(1.9%)	-	2.0%
Projected service cost (£000)	1,411	1,470	1,530
Approximate % change in projected service cost	(4.0%)	-	4.1%

Rates of general increase in salaries

Adjustment to salary increase rate	+0.1 p.a.	Base figure	-0.1 p.a.
Present value of total obligation (£000)	2,977	2,977	2,977
% change in present value of total obligation	0.0%	-	0.0%
Projected service cost (£000)	1,470	1,470	1,470
Approximate % change in projected service cost	0.0%	-	0.0%

Rate of increase to pensions and rate of revaluation of pension accounts

Adjustment to pension increase rate	+0.1 p.a.	Base figure	-0.1 p.a.
Present value of total obligation (£000)	3,037	2,977	2,920
% change in present value of total obligation	2.0%	-	(1.9%)
Projected service cost (£000)	1,530	1,470	1,411
Approximate % change in projected service cost	4.1%	-	(4.0%)

Post retirement mortality assumption*

Adjustment to mortality assumption	-1 year	Base figure	+1 year
Present value of total obligation (£000)	3,042	2,977	2,909
% change in present value of total obligation	2.2%	-	(2.3%)
Projected service cost (£000)	1,521	1,470	1,419
Approximate % change in projected service cost	3.5%	-	(3.5%)

*A rating of +1 year means that members are assumed to follow the mortality pattern of the base table for an individual that is one year older than them.

i) Estimated profit and loss/surplus or deficit in future periods

The figures below are provided based on the assumption as at 31 March 2026 outlined above.

Funded LGPS benefits—expected amounts charged to SoCNE	31 March 2027 £000
Current service cost*	1,470
Interest on the net defined benefit asset	(36)
Total	1,434

*Projected service cost includes allowance for administration expenses of £0.039m and estimated payroll costs of £9.829m in the period ending 31 March 2027.

The pension cost shown in next year's accounts might be different to that shown above for the following reasons:

- Actual payroll may be different to that used in the calculations. The difference in payroll will particularly affect the current service cost.
- Past service costs may not be zero (this cost is that resulting from benefit augmentations or unreduced early retirement of individual members before age 60 or on the grounds of efficiency).
- Curtailment/settlement events may occur.
- Actual cash-flows over the next year may differ from those assumed.

j) Funded benefits

The following data has been used in evaluating the figures noted above:

Active members as at 31 March 2025		Number	Total pay £000
Total		123	6,812
Funded cash-flow data provided	Months provided	Amount provided £000	Amount used £000
Employer—normal contributions	11	1,270	-
Employer—additional capital contributions	12	-	-
Employer—early retirement strain on fund payments	11	-	1,385
Total contributions by the employer			
Employee—normal contributions	11	661	-
Employee—added years contributions	11	-	-
Total contributions by participants		-	721
Transfers in			-
Other income			-
Transfers out			-
Retirement lump sums			-
Other outgoings			-
Death in service lump sums*			-
Benefits paid (i.e.) pension paid			-
Net benefits paid out **			62

* Calculated over the year to be £0.024m.

** Figure includes an allowance for expenses of £0.038m.

k) Fund return

The Fund is not formally unitised for the purpose of allocating assets between employers on a monthly basis. Assets have therefore been calculated for this report using the roll-forward method as set out in the Covering Report for non-unitised funds.

The gross Fund return has been calculated using the method set out in the covering report.

An allowance has been made for investment management expenses by reducing the provided fund returns by 0.3% p.a. based on the Fund's experience.

The overall Fund return from the 2025 Valuation date 9.3% and this return has been used to roll forward the assets notionally allocated to the Employer at the 2025 Valuation

We have used known Fund returns for the period ending 31 December 2025 and index returns for the remainder of the accounting period. The index returns between 31 December 2025 and 31 March 2026 have been calculated as -0.2%.

15. Contingent liabilities disclosed under IAS37

At the time of publishing these accounts, the Commission had two pending employment claims. As formal hearings have not yet commenced, it is therefore hard to determine the possible outcomes and impacting costs.

16. Commitments

The Commission has nil capital commitments at 31 March 2026 (2024–2025 £1.5m).

17. Related-party transactions

The ICRIR is an Arm's Length Non-Departmental Public Body of the NIO. During the year, the Commission had various transactions with the NIO, associated with the receipt of grant-in-aid, the reimbursement of payroll costs and costs incurred by NIO on our behalf in relation to the initial set up of the Commission.

No Board members, key managerial staff or other related parties have undertaken any other material transactions with the NIO during the period. The remuneration report sets out amounts paid to management.

18. Events after the reporting period date

In accordance with IAS10, events after the reporting period are considered up to the date at which the accounts are authorised for issue. This is interpreted as being the

date of the certificate and report of the Comptroller and Auditor General to the Houses of Parliament.

19. Prior period restatement

An error was identified in the 2024–25 financial statements that related to VAT incurred on non-business activities of £662,763. A detailed review undertaken by ICRIR Finance in June 2026 established that the Commission was not included within a Treasury Order under Section 33E, that allows the recoverability of VAT, despite having previously accounted for VAT on non-business activities as recoverable. The review concluded the VAT balance of £662,763 was not legally recoverable because ICRIR had not been designated in a Treasury Order. Consequently, the Commission has been required to treat this balance as irrecoverable VAT and account for the 2024–25 balance as a prior-period error under IAS8.

A Prior Period Adjustment (PPA) has been completed to account for this error. The effect of the restatement on each financial statement is as follows.

Statement of Comprehensive Net Expenditure for the year ended 31 March 2025

		For the year ended 31 March 2025 £000	Adjustment For the year ended 31 March 2025 £000	As restated For the year ended 31 March 2025 £000
	Note			
Staff costs	2	9,032	195	9,227
Purchase of goods and services	3	4,020	373	4,393
Depreciation and impairment charges	3	956	-	956
Other operating expenditure	3	934	95	1,029
Total operating expenditure		14,942	663	15,605
Net operating expenditure		14,942	663	15,605
Finance income	4	(18)	-	(18)
Finance expense	5	52	-	52
Net expenditure for the period		14,976	663	15,639
Other comprehensive net expenditure:				
Items which will not be reclassified to net operating expenditure:				
• Actuarial gain on pension scheme liabilities	14e	(235)	-	(235)
• Return on revaluation of pension scheme assets	14e	1	-	1
• Restriction of pension scheme surplus	14e	234	-	234
Total comprehensive net expenditure for the period		14,976	663	15,639

Statement of Financial Position as at 31 March 2025

		31 March 2025 £000	Adjustment 31 March 2025 £000	As restated 31 March 2025 £000
	Note			
Non-current assets:				
Property, plant and equipment	6	4,612	-	4,612
Right of use assets	7	8,821	-	8,821
Total non-current assets		13,433	-	13,433
Current assets:				
Trade and other receivables	10	1,162	(663)	499
Total current assets		1,162	(663)	499
Total assets		14,595	(663)	13,932
Current liabilities:				
Trade and other payables	11	6,687	-	6,687
Lease liabilities	11	4,012	-	4,012
Total current liabilities		10,699	-	10,699
Total assets less current liabilities		3,896	(663)	3,233
Non-current liabilities:				
Lease liabilities	11	4,356	-	4,356
Provisions	13	918	-	918
Total non-current liabilities		5,274	-	5,274
Total assets less total liabilities		(1,378)	(663)	(2,041)
Taxpayers' equity:				
General fund		(1,378)	(663)	(2,041)
Revaluation reserve		-	-	-
Pension reserve		-	-	-
Total equity		(1,378)	(663)	(2,041)

Statement of Cash Flows for the period ended 31 March 2025

	Note	For the year ended 31 March 2025 £000	Adjustment For the year ended 31 March 2025 £000	As restated For the year ended 31 March 2025 £000
Cash flows from operating activities:				
Net operating expenditure		(14,942)	(663)	(15,605)
Adjustments for non-cash transactions:				
• Depreciation	3	956	-	956
		956	-	956
Increase in trade and other receivables	10	(887)	663	(224)
Increase in trade and other payables	11	4,270	-	4,270
Net cash outflow from operating activities		(10,603)	-	(10,603)
Cash flows from investing activities:				
Purchase of non-current assets for leasehold improvements	6	(4,489)	-	(4,489)
Movement in provision for non-current asset	13	918	-	918
Net cash outflow from investing activities		(3,571)	-	(3,571)
Cash flows from financing activities:				
Grants from sponsoring department		14,278	-	14,278
Capital element of payments in respect of leases	12	(70)	-	(70)
Finance income on pension asset	4	18	-	18
Finance expense on lease liabilities	5	(46)	-	(46)
Finance expense on pension obligation	5	(6)	-	(6)
Net financing		14,174	-	14,174
Net decrease in cash and cash equivalents in the period		-	-	-
Cash and cash equivalents at the beginning of the period		-	-	-
Cash and cash equivalents at the end of the period		-	-	-

Statement of changes in Taxpayers' Equity for the year ended 31 March 2025

	General Fund £000	Adjustment £000	As restated Taxpayers' deficit £000
Balance at 31 March 2024	(680)	-	(680)
Net expenditure for the period	(14,976)	(663)	(15,639)
Actuarial gain on pension scheme	(235)	-	(235)
Return on revaluation of pension scheme assets	1	-	1
Restriction of pension surplus	234	-	234
Financing provided by sponsor department	14,278	-	14,278
Balance at 31 March 2025	(1,378)	(663)	(2,041)

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