

## FINANCIAL CONTROL

In setting up the Council, provision should be made for the proper control and discharge of its financial functions. Questions of estimating, budgeting, receiving and making payments and accounting for them will arise from the outset and it is clearly necessary to create structures and systems for dealing with these questions. Overall responsibility for this would presumably rest with the Secretary General.

It will also be necessary to provide for the audit of the Council's financial transactions. This function could perhaps be entrusted jointly to the Controllers and Auditors General of the two administrations. We would visualise them reporting the outcome of the audit to the Council.

It is not contemplated that there would be any formal participation by H.M.G. in these matters.

## Financing

- (1) that, during the initial period following the establishment of the Council, the revenue of the Council should be provided by means of grants from the two administrations, North and South;
- (2) that financing by own resources should be introduced, within three years following the establishment of the Council, the timing for its introduction to be settled at the Tripartite Conference;
- (3) that, pending the introduction of own resources financing, the Council's revenue, from grants, North and South, should, on the basis of an annual budget, be contributed on a basis to be agreed according to the nature of the service involved. For instance, the cost of the Secretariat should be shared equally and other services should be financed broadly in proportion to where expenditure or benefit accrues.  
*- States will be put in Ld on method.*
- (4) that while Britain continues to pay subsidies to Northern Ireland such payments should not involve Britain participating in the Council, it being accepted nevertheless that it would be legitimate for Britain to safeguard in an appropriate way her financial involvement in Northern Ireland;
- (5) that the amount of money required to finance the Council's activities will depend upon the functions assigned to it from time to time.