

**THE SPORTS COUNCIL for NORTHERN IRELAND**  
*(known as Sport NI)*

**Annual Report and Accounts**

**For the year ended 31 MARCH 2021**

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**For the year ended 31 MARCH 2021**

*Laid before the Northern Ireland Assembly*  
*Under Articles 7 (2)(c) and 8 of the*  
*Recreation and Youth Service (Northern Ireland) Order 1986*  
*by the Department for Communities*  
*on*

**24<sup>th</sup> May 2022**

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This publication is also available for download from our website at <http://www.sportni.net>.

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## **Performance Report**

The Performance Report focuses on matters relevant to all users of financial statements. Its purpose is to provide information on Sports Council for Northern Ireland (hereafter Sport NI), its main objectives and strategies, and the principal risks it faces. It has two sections: an 'Overview' and a 'Performance Analysis'.

### **Overview**

The purpose of the Overview section of the Performance Report is to give the user a brief summary which provides sufficient information to understand Sport NI, its purposes, the key risks to the achievement of its objectives, and how it has performed during the year. It consists of the Chair's Foreword, Chief Executive's Introduction, the Purpose and Activities of Sport NI, Key Issues and Risks which could affect Sport NI in delivering its objectives, an explanation of going concern as it affects Sport NI, and a Performance Summary.

### **Chair's Foreword**

This past year, the COVID-19 pandemic became the defining global health crisis of our time, disrupting every part of people's lives, including sport.

From frustrated athletes who geared training regimes to peak for Tokyo 2020, to silent playing fields where there would normally have been a cacophony of excitement and noise, the impact was profound.

I recognise the vital role that the sporting sector has played during this crisis, and, in particular, governing bodies and their sporting clubs, who have proven to be invaluable; supporting our communities in a range of innovative ways, from the provision of food banks and food/prescription delivery, to online sport sessions, to communicating critical health messaging.

Sport NI provided important leadership during that period, communicating with the sector on vital public health messages, helping government understand sport's needs, and in supporting sport to return more resilient than ever before.

In partnership with the Department for Communities (DfC), Sport NI launched the Sports Hardship Fund (including COVID Safe Sports Packs), the Sports Sustainability Fund, the Wellbeing Hub and the Return to Sport Service; to ensure the survival and sustainability of the sporting sector, during this year, in addition to maintaining business as usual operations.

The Sports Sustainability Fund was designed and delivered within a short time period between November 2020 and February 2021. As Chair, I acknowledge the vital need for pace and agility required to sustain the sector at this time and the constantly changing landscape during design and delivery stages. DfC, Sport NI and governing bodies of sport worked together during an intense period, to shape the right support for the sports sector, and we recognise that hindsight has given us space for reflection and insight to learning on different approaches. We also recognise that the review of the Sustainability Fund by the NIAO has added value to our learning. We welcome the recognition that, ultimately, the Fund met its key objective of ensuring that the sports sector was sustained, so that it continued to play a critical role in supporting NI communities to emerge safely and strongly from COVID. The Board of Sport NI is very proud of the partnership and leadership demonstrated by the sector through the most challenging of times.

I would like to thank my fellow Board Members, the CEO and the wider team at the Sport NI, who demonstrated our values, dedication and commitment during a very difficult year. Our staff rose to every challenge with creativity and agility, all whilst working in entirely new ways. The fact that we administered double the amount of grant support within existing resources is testament to our determination to support a sport sector under critical financial pressure.

Sport makes an invaluable contribution to individual emotional, mental and physical well-being and creates a sense of belonging and connection. As we emerge from this pandemic, we believe sport can play a key role in transforming lives and communities, and by 2026, we want the power of sport to be recognised and valued by all.

Thank you,

A handwritten signature in cursive script that reads "George Lucas".

**George Lucas**  
**Chair, Sport NI**

**Date: 16 March 2022**

## Chief Executive's Introduction

As Chief Executive of Sport NI, I am proud to bring forward this Annual Report for 2020-21. This was a period like no other before, and that pride is not confined to us as an organisation, but also in our sports sector and clubs. In the sporting archives and almanacs, the story of this year will not be told by results or records, but in the humanity and resilience demonstrated by sport and those passionate about it.

With the COVID-19 pandemic accelerating at pace, the priority was protecting the public and communities as health professionals battled to save lives and understand the disease better. Sport stepped up, and locked down, and Sport NI played an important role engaging with government and health experts, and in communicating with the sector on the new rules and restrictions.

In protecting the most vulnerable, the Northern Ireland Executive needed a vast number of volunteers to ensure help and support reached front-line communities with food parcels, deliveries of vital medicines and check-in services. Sports clubs were at the heart of that monumental effort, and everyone can be proud of the part they played. Sport NI has long recognized the value of the social infrastructure clubs provide in their local communities, but the response to the pandemic is an important opportunity to emphasise this point to others, and it is an issue we will champion in the months and years ahead.

Whilst organisations, clubs and volunteers were focused on others, it was important to recognise pressures on themselves and ensure their survival so the pandemic's legacy was not a decimation of the sector. Sport NI is proud of its work in partnership with the NI Executive and DfC to advocate for, secure and deliver almost an additional £30million of support for sport across Northern Ireland in the form of the Sports Hardship Fund, and the Sports Sustainability Fund.

Protecting the sports sector and clubs involved a huge additional workload on Sport NI as an organization. An additional £26 million of support was over double the grant support Sport NI normally administer. Time and time again, our team met these challenges without any additional internal resource, whilst working in very uncertain and unfamiliar ways. I sincerely thank and commend them for this commitment.

COVID-19 was certainly a huge challenge, but it did not prevent us from continuing the important work of our key programmes. Although ways of working were required to change, we supported the sports sector with a significant amount of business as usual activity.

Similarly we were unceasing in our improvement as an organization. The important work in bringing forward a new culture was embedded as our DNA, with four intrinsic and interwoven values, **Excellence; Integrity; Collaboration; Learning**. We made critical progress in areas including procurement, regularising historic accounts, and shaping and recruiting a new leadership team.



Looking ahead, the longer-term societal consequences of this global pandemic are yet to emerge. Lifestyles and routines were disrupted, and understanding the mental health impacts will be a major challenge. Sport NI is determined to play its part in those conversations, engaging in and informing the debate.

A major global event also presents an important opportunity to do things differently. Designed and deployed at pace, our Build Back Better programme is already supporting clubs and sports governing bodies with advice and training on how to rebuild and increase organisational resilience through innovative new methods and technologies.

Similarly with that focus on innovation and improvement, this year we expect to bring forward Sport NI's Corporate Plan for 2021-26. We thank those who responded to our consultation on the draft document, and are reviewing submissions to see how we can reflect those views and ideas in the final plan.

In our new Corporate Plan, Sport NI is committed to advocating the value of sport. Although unexpected and hugely difficult, the absence of much of our sporting activity this year gives us a unique context and opportunity to tell that story.

We hope you will too.



**Antoinette McKeown**  
Chief Executive

**Date: 16 March 2022**

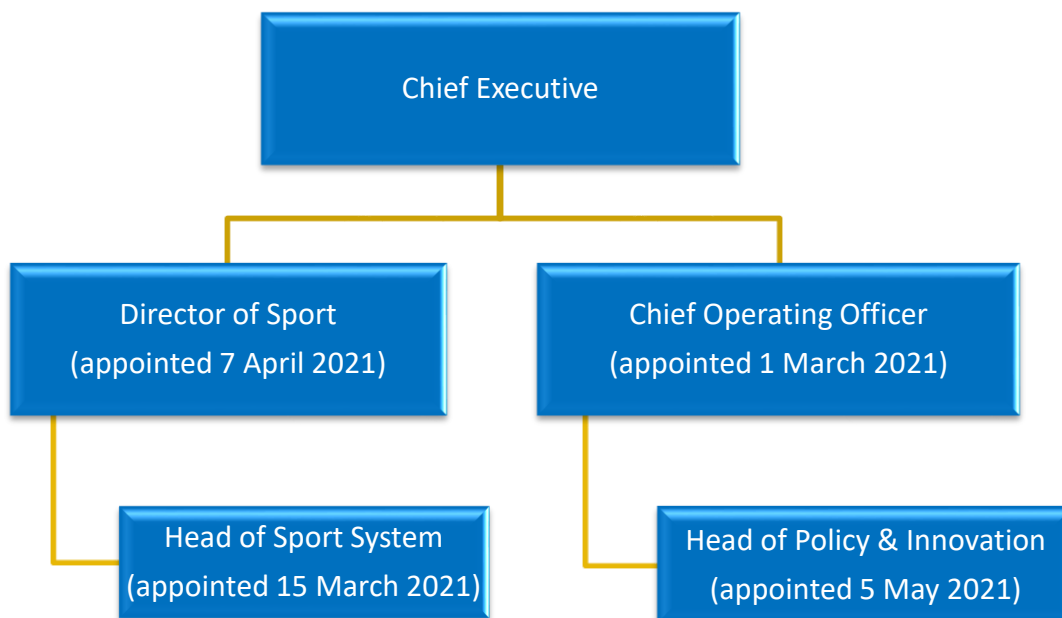
## Purpose and Activities of Sport NI

### Business Model And Environment

Sport NI is the statutory body through which public funding for sports in Northern Ireland is channelled and is the lead public body for the development of sport here.

### Organisational Structure

The affairs of Sport NI are managed by the Board, consisting of the members listed in the Directors' Report. Up to 1 March 2021 Sport NI had a Chief Executive and three executive directors: Interim Director of Finance and Governance, Interim Director of Participation and Facilities and Interim Director of Performance. From 1 March 2021, a new leadership team was structured and recruited, with a Director of Sport, Chief Operating Officer, Head of Sports System, and Head of Policy & Innovation appointed and fully in place from 5 May 2021. The Chief Executive, Antoinette McKeown, is the Accounting Officer of Sport NI and is supported by professional staff responsible for subject and functional areas of Sport NI's programmes.



## **Principal Functions Related to Grant-in-Aid Activities**

Sport NI's principal functions are as provided by Article 3 of the Recreation and Youth Service (NI) Order 1986:

- On matters relating to sport and physical recreation, to advise DfC and other government departments, Education Authority, local Councils and other bodies interested in sport and physical recreation;
- To encourage the provision of facilities for, and participation, in sport and physical recreation; and
- To assist, subject to Paragraph (4) of the article:
  - the provision of administrative services, equipment, coaching and instruction;
  - the organising or supporting of, or participating in, international or other events, by bodies providing facilities for sport or physical recreation or organising such activities; and
  - bodies providing supportive services in connection with sport and physical recreation.

Article 5 of the 1986 Order provides that DfC may, subject to such conditions as it thinks fit, make grants towards the expenses of Sport NI. These financial statements have been prepared on an accruals basis and show a true and fair view of the state of affairs of Sport NI's activities at the year end and of its net expenditure, changes in taxpayers' equity and cash flows for the financial year. They have also been prepared in accordance with Article 7 of the Order and in a form directed by DfC with the approval of the Department of Finance.

## **Review of Grant-in-aid Activities**

Sport NI is primarily funded by grant-in-aid from DfC. The level of funding is agreed with DfC as part of a rolling funding agreement. This agreement also includes an agreed set of operational targets as outlined in the business plan. During 2020-21, Sport NI received £34,878,279 (31 March 2020: £10,740,242) in funding. Grant-in-aid funds are accounted for in Sport NI Exchequer Account.

## **Future Grant-in-aid Activities**

Exchequer funding baseline is anticipated to remain at the baseline level for 2020-21. As part of the response to the COVID-19 pandemic Sport NI is anticipated to deliver additional programmes including £6m Sports Hardship Fund.

## **Objectives and Strategies**

Sport NI's mission is "We are passionate about maximising the power of sport to change lives. By 2026, we want the power of sport to be recognised and valued by all.

Sport NI's draft Corporate Plan 2021-26 has proposed two outcomes over the next five years:

- Outcome One: People adopting and sustaining participation in sport and physical recreation.
- Outcome Two: NI Athletes among the best in the world.

### **Key Issues and Risks that could affect the delivery of our Objectives**

Risk management is fully incorporated into organisation and business planning. The Board manages risk by ensuring that the procedures which are in place to verify risk management are regularly reviewed and reported. The Executive Team reviews and updates the Corporate Risk Register on a quarterly basis and submits it to the Audit and Risk Assurance Committee for consideration. The report is in turn considered at the subsequent Board meeting. The main risks to Sport NI are:

- Macro environment;
- Budget uncertainty;
- Relationships;
- Failure to modernise;
- COVID-19
- Ineffective governance; and
- Health, safety and wellbeing.

The Board considers how these risks are managed, the residual risk and action plans as appropriate.

### **Going Concern Basis**

The financial statements of Sport NI are produced on the 'Going Concern Basis'. This was formally considered by the Board, including the impact of the COVID-19 pandemic, at its meeting on 16 March 2022. Sport NI is not aware of any reason to adopt a different basis.

### **A Performance Summary**

Sport NI's Business Plan for 2020-21 set out 23 Key Performance Indicators (KPIs) to be measured across four over-arching outcomes aligned to the Kaplan Norton Balanced Scorecard: Results, Customers/Stakeholders, Internal Processes and Organisational Learning and Growth. By the end of 2020-21: 17 were achieved; 0 partially achieved; and 6 were not achieved. A greater level of detail on performance is included in the Performance Analysis section on pages 11-30.

## Performance Analysis

The purpose of the 'Performance Analysis' is to provide a detailed performance summary of how Sport NI measures its performance and more detailed integrated performance analysis.

### Key Performance Indicators, Risk and Uncertainty

Sport NI's Business Plan for 2020-21 reflected a 'transition' year into our new Corporate Plan as we evaluate the impact of our programmes and investments from 2015-20 and mainstream or close pilot projects to further develop sport. The plan took account of the strategic context of the NI Executive's ten year strategy for sport. The outcomes are arranged according to the Kaplan Norton Balanced Scorecard into four main sections, namely Results, Customers/Stakeholders, Internal Processes and Organisational Learning and Growth.

Sport NI's strategic priorities and performance targets are influenced by known factors and uncertainties. A risk management framework is in place to ensure that risk is understood, reported and managed as far as reasonably practicable across the organisation.

The table below provides an overview of progress made against Key Targets (24):

- **17 (74%) were achieved (Green);**
- **0 (0%) were missed by a small margin (Amber);**
- **6 (26%) were missed by a substantial margin (Red).**

#### Key:

Green = Target achieved

Amber = Substantially achieved

Red = Not achieved

Business Plan Reference & Outputs	Progress Status at Year-End
<p><b>Results 1.1 - 55,000 people will have participated in sport directly through our service delivery (baseline = 120,212). The target is reduced from 2019-20 because of the COVID-19 lockdown.</b></p> <p>Total output 44,698 (81% of target). Every Body Active underperformed significantly as a result of COVID-19; Tollymore National Outdoor Centre exceeded target.</p>	<p><b>NOT ACHIEVED</b></p>
<p><b>Results 1.2 - To have issued at least four business cases approved under Multi-Facility Fund.</b></p> <p>Two business cases approved and Letters of Offer issued. Two business cases were delayed as a result of COVID-19.</p>	<p><b>NOT ACHIEVED</b></p>

Business Plan Reference & Outputs	Progress Status at Year-End
<p><b>Results 1.3 - Through the sporting clubs investment, support 21 National Governing Bodies during the COVID-19 pandemic to sustain club membership within NI at 287,476 (baseline 287,476).</b></p> <p>16 of the 21 sports receiving investment reported a decline in membership due to the impact of COVID-19. The range of decline varies with sports reacting in different ways. One sport reported significant recovery in their membership compared to the figures submitted last year when the COVID-19 pandemic initially had severe negative impacts on registrations. The numbers of members in this sport have had a very significant impact on the overall club membership picture in NI, leading to a small overall increase (0.6%) in club membership across the Sporting Clubs programme compared to 2019-20.</p>	ACHIEVED
<p><b>Results 1.4 - To provide 17,000 skills and leadership learning opportunities for coaches, officials and volunteers (baseline= 20,377).</b></p> <p>In 2020-21 as a response to the COVID-19 pandemic Sport NI through its Club &amp; Workforce Team moved the majority of its people development activity into the online space. This delivery method saw a total of 158 events delivered and 10,731 attendees / users engaged.</p> <p>Governing bodies of sport supported through Sport NI's 'Sporting Clubs' investment also deliver learning opportunities that again have seen significant movement to the online space in 2020-21. At year end Governing Bodies have identified that 48,003 Learning Opportunities have been delivered to coaches, officials and volunteers in both formal and informal formats.</p> <p>Course delivery was severely curtailed in 2020-21 as a result of COVID-19 with Tollymore National Outdoor Centre (TNOC) closed except for a window from late July to mid-December 2020; as a result the Centre missed what would normally be the two busiest periods (April-June) and (February-March). During this period, TNOC provided skills and leadership training to 450 individuals.</p>	ACHIEVED
<p><b>Results 1.5 - To co-design and deliver integrated investment programmes that meet the specific needs of the sporting sector in order to emerge from the COVID-19 pandemic and transition towards a fully integrated sport system investment programme from April 2022.</b></p> <p>Supporting Sport to Build Back Better, a multi-strand programme of 'Building Capability': 'Innovation and Partnership'; 'Extension of Sporting Clubs'; and 'Governing Body Support Programme' was designed and launched with implementation underway during Quarter 4 2020-21. The programme will continue throughout 2021-22.</p>	ACHIEVED
<p><b>Results 1.6 - To implement the DfC Sports Hardship Fund</b></p> <p>Under the Sports Hardship Fund, 913 unique applicants representing 44 different sports received funding who were incurring inescapable costs, which was broadened to support clubs facing increasing operational and facility hire costs as a result of COVID-19 restrictions. Additional support was provided as 1,289 sports clubs and organisations, representing 57 different sports were approved for COVID-19 Safe Sports Packs. Sport NI secured significant additional in-year exchequer revenue funding to help stabilise and sustain the sports sector to withstand financial impacts of COVID-19. Funding was distributed to 35 different sports representing 430 sports clubs and 22 governing bodies of sport via the Sport Sustainability Fund.</p>	ACHIEVED

Business Plan Reference & Outputs	Progress Status at Year-End
<p><b>Results 2.1 - To support sport high performance programmes to deliver 16 targeted performances (Medals / Top 8 / Top 16) in major international competition (World / European Championships) (baseline 2019/20 = 66)</b></p> <p>10 results were achieved in 2020-21. Lockdowns have restricted competitive events taking take place, greatly reducing the opportunity for performances that would have improved this output.</p>	<p><b>NOT ACHIEVED</b></p>
<p><b>Customers/Stakeholders 1.1 - To have completed a scoping study with Sport Ireland and the wider sporting system to maximise the all-island potential of Tollymore National Outdoor Centre.</b></p> <p>Stakeholder Survey completed with responses from 37 sectoral organisations (42% sports governing bodies, 32% charitable groups and 26% other including district councils and public bodies).</p>	<p><b>ACHIEVED</b></p>
<p><b>Customers/Stakeholders 1.2 - To produce a partnership agreement with local government, health and education; to improve collaboration and coherence in sports delivery in the context of community planning.</b></p> <p>Sport NI has continued to engage with district councils, health and education partners through community planning structures. COVID-19 has delayed progress towards the development of a separate partnership agreement.</p> <p>However, important collaborative working is underway. For example Sport NI, in partnership with Sport Ireland, continues to work closely with National Governing Bodies, local government, health and education to develop an All Island Physical Literacy Consensus Statement. The Consensus Statement has been approved for further public consultation by Sport NI and Sport Ireland to support the development of future implementation.</p>	<p><b>NOT ACHIEVED</b></p>
<p><b>Customers/Stakeholders 1.3 - To produce a Northern Ireland Sports Infrastructure Strategy 2020-2030.</b></p> <p>Project delayed as a result of COVID-19 and staff redeployments to support Build Back Better, Sports Sustainability Fund and Return to Sport (Facilities &amp; Spectators). However, these COVID-19 project engagements have strengthened Sport NI insights and understanding to inform future Sport NI capital development policy and a more strategic approach to sports (capital) infrastructure.</p>	<p><b>NOT ACHIEVED</b></p>
<p><b>Customers/Stakeholders 1.4 - To embed and support a culture of safety at sports venues through collaborative working with governing bodies of sport, venue operators, district councils, SGSA and DfC.</b></p> <p>During 2020-21 Sport NI continued to work closely with the SGSA to ensure support for governing bodies of sport, venue operators and district councils to meet their responsibilities under the 'Safety of Sports Grounds (NI) Order (2006)'. In response to COVID-19, SGSA provided well attended online workshops focused on best practice and shared learning. In October 2020 Sport NI extended this strategically significant partnership to April 2024.</p> <p>Additionally, in 2020-21 Sport NI initiated a Spectator Engagement Group to offer ongoing guidance and advice for the return to spectators to sports events and sports venues. A range of stakeholders were involved including DfC, SGSA, Councils and a number of governing bodies of Sport.</p>	<p><b>ACHIEVED</b></p>

Business Plan Reference & Outputs	Progress Status at Year-End
<p><b>Customers/Stakeholders 1.5 - To deliver a communications strategy, including stakeholder engagement, aligned to the draft Corporate Plan 2020-25 (subsequently will cover the period 2021-26 due to COVID-19-related delays).</b></p> <p>The COVID-19 Communications Crisis Plan has been implemented including measurement and review improvements. Sport NI Board approved the Stakeholder Engagement Plan to support the draft Corporate Plan. This is in implementation stage.</p>	ACHIEVED
<p><b>Customers/Stakeholders 1.6 - To support DfC in developing the Strategy for Sport and Physical Activity 2020-2030.</b></p> <p>Sport NI has supported the engagement work for strategy development. This work continues with Sport NI membership on the Project Board and a range of working groups. The strategy for Sport and Physical Activity has undergone public consultation (closed May 2021).</p>	ACHIEVED
<p><b>Customers/Stakeholders 2.1 - To deliver expertise and services to support the development of performance pathways in sports.</b></p> <p>Governance and Anti-doping support was delivered through the Effective Organisations element of the Sporting Winners programme to 17 sports organisations currently receiving investment.</p> <p>Following the initial COVID-19 lockdown, the Sports Institute was able to begin provision of limited services from the Jordanstown base in July. Protocols were developed that enabled athletes to return to receive strength and conditioning and essential sports medicine and physiotherapy services. 'Tele-health' provision was also used extensively. Other Institute services continued to support athletes and coaches remotely. Where and when possible high performance programmes have continued in full training mode with Institute staff travelling to support at training camps with appropriate protocols established to ensure safe operation. The Institute has supported 20 sport high performance programmes.</p>	ACHIEVED
<p><b>Customers/Stakeholders 2.2 - To deliver expertise and services to support the development of performance pathways in sports.</b></p> <p>Sport NI Pathway Health Checks were successfully completed online with Cycling Ireland and Netball Northern Ireland. Outputs from both will result in collaborative Pathway Projects in the new year to improve identified areas for development in both Sports.</p> <p>Curriculum projects have progressed with Swim Ireland, Athletics Northern Ireland and Hockey Ireland.</p> <p>Pathway Coach Development Programmes have continued with IABA Ulster HP Unit and Hockey Ireland; and Sport NI's Performance Coach Developer Learning programme was launched and is now into the second phase of online delivery in collaboration with Leeds Beckett University.</p> <p>UK Wide Talent and Performance Pathway Inclusion research project was launched in collaboration with UK Sport and the Home Country Sport NI's with the Sport Industry Research Centre leading on our behalf. The sport engagement and data collection phase of the research is now well underway with Northern Irish Sports.</p>	ACHIEVED



Business Plan Reference & Outputs	Progress Status at Year-End
<p>A webinar series on Developing the Female Athlete within your Pathway was delivered using internal Sports Institute expertise alongside a subject researcher and expert from the Welsh Institute of Performance Science; and a Pathway Symposium on Connecting Pathway Strategy to Practice was delivered by the Performance Director of British Wheelchair Basketball.</p>	
<p><b>Internal Processes 1.1 - To develop the Partnership Agreement with Department for Communities.</b></p> <p>While not fully completed, following constructive collaborative engagement between the partners significant progress was made in developing a Partnership Agreement. It is expected that the Agreement will be finalised and implemented in 2021-22.</p>	<b>NOT ACHIEVED</b>
<p><b>Internal Processes 1.2 - To return Sport NI to a regular position in respect of annual accounts.</b></p> <p>Exchequer accounts are in a regularised position. Exchequer 2019-20 accounts were certified by C&amp;AG in March and laid in April 2021. Lottery accounts are not yet in a regularised position.</p>	<b>NOT ACHIEVED</b>
<p><b>Internal Processes 2.1 - To develop a digital transformation plan and progress implementation.</b></p> <p>A digital transformation plan has been developed and is progressing with Central Procurement Directorate engaged to provide support through the procurement process for a Finance Platform and a HR/Payroll Platform.</p>	<b>ACHIEVED</b>
<p><b>Internal Processes 3.1 - To develop a staff well-being and duty of care delivery plan to reflect Sport NI culture of placing staff well-being as a key cornerstone of a modern lead sports development agency to include wellbeing and duty of care as we return to workplace, with special emphasis on successful returning to work following COVID-19.</b></p> <p>Sport NI developed and delivered a duty of care plan. This included support and training in both building resilience and managing stress to support staff whilst working from home. Management took pro-active measures to support staff wellbeing during the COVID-19 Pandemic and in planning a return to the workplace in line with NI Executive Guidance.</p>	<b>ACHIEVED</b>
<p><b>Internal Processes 3.2 - To achieve between 0-2 long term absences resulting from health, safety &amp; wellbeing by: engaging with staff, using Top 10 risks to improve focus, and target 120 hazards and near misses.</b></p> <p>There were no long term absences as a result of Health, Safety &amp; Wellbeing. Sport NI sites have been opened on a limited basis in line with NI Executive guidance surrounding COVID-19 and in the majority Sport NI staff continue to work from home.</p> <p>No near misses were reported during the year. Staff continue to be reminded of the importance of reporting all near misses.</p>	<b>ACHIEVED</b>

Business Plan Reference & Outputs	Progress Status at Year-End
<p><b>Organisational Learning and Growth 1.1 - To appoint a substantive Executive Leadership Team to Sport NI aligned to the draft Corporate Plan 2020-25.</b></p> <p>Following a competitive recruitment process, a new Executive Team was appointed between March and May 2021 and have all now taken up their posts. Supporting the Chief Executive are the Chief Operating Officer; Director of Sport; Head of Sporting System; and Head of Policy &amp; Innovation.</p>	<p><b>ACHIEVED</b></p>
<p><b>Organisational Learning and Growth 1.2 - Develop, promote and support a research agenda that provides meaningful insights and evidence to inform the implementation of the draft Corporate Plan 2020-25.</b></p> <p>Research and insights agenda ongoing with extensive survey data gained throughout COVID-19 to respond to the sector and plan; work ongoing on establishment of Sport Diversity Panel and Children and Young Persons' Panel to inform our Corporate Plan; research in the field on race and racism in sport, with Sport NI leading the "lived experiences" element of that work; EQIA on draft Corporate Plan complete to inform public consultation of Corporate Plan. Work is underway on the Active Healthy Kids Global Alliance, Children and Youth Physical Activity Report Card for Ireland.</p>	<p><b>ACHIEVED</b></p>
<p><b>Organisational Learning and Growth 2.1 - To have identified and progressed a staffing structure for all levels of the organisation aligned with the Draft Corporate Plan 2020-25.</b></p> <p>The new executive leadership team has been recruited and taken up position. Constructive engagement and consultation on staff structures and posts at Deputy Principal level is underway, and the filling of these posts will facilitate progress to be made across all levels.</p>	<p><b>ACHIEVED</b></p>

## **LEADING SPORT THROUGH A CRISIS - COVID-19**

Sport NI has played a vital role in leading and supporting the sports sector in Northern Ireland during the unprecedented challenges presented by the pandemic. This has ranged from information sharing, to practical resources such as sanitisers and PPE, to critical financial support. These, and many other examples are outlined below.

### **Communicating with sector – Building our understanding**

Sport NI's rapid early response to the COVID-19 pandemic was to ensure that critical information was communicated to the sports sector, in a digestible way. This involved taking key information from the NI Executive, Chief Medical Officer and Public Health Agency, and placing it in a sports context. In doing so, Sport NI also listened to, and sought views from the sector on the challenges they faced, and the impact on individuals and organisations. A huge amount of stakeholder engagement took place with regular sectoral workshops, and a series of surveys and insights launched, to identify immediate need to inform Sport NI's programme responses.

### **Getting money to the frontline**

Early efforts focussed on ensuring that cashflow concerns were alleviated for organisations who were award recipients. Major programmes such as Sporting Clubs and Sporting Winners sought means to issue budget payments later in the 2019-20 year than would be normal, and streamlined budget payments to new awards in April 2020. This ensured that whilst income streams were curtailed for Governing Bodies due to lost revenue opportunities, core work to support the sports sector could continue without the need for staff to be furloughed.

### **COVID-19 Safe Sports Packs**

Protecting those involved in sport with real practical support the project delivered packs including personal protective equipment (PPE), hand sanitiser and dispensers, signage and high visibility COVID-19 marshal vests. The packs were gratefully received, with 1,290 clubs and organisations delivering sporting activities benefitting across Northern Ireland from across 57 recognised sporting activities.

### **The Sports Hardship Fund**

By April 2020, clubs and sporting bodies were coming under growing financial pressures, so in response Sport NI secured £5m budget and administered an early intervention of £3m in partnership with DfC. This fund delivered immediate funding to those most in need by targeting sports clubs, and other sporting organisations, experiencing financial hardship from the impact of COVID-19. The Sports Hardship Fund sought to meet obligations, notably fixed costs, which were no longer supported with revenue as a result of the pandemic. This covered expenditure such as, rent or lease payments, heat, light, water rates, essential grounds/facility maintenance and insurance. Successful applicants received up to £3,000 towards eligible costs incurred from 1st April 2020 to 31st March 2021. Under the Sports Hardship Fund, 915 unique applicants representing 52 different recognised sporting activities received funding for inescapable costs.

## **Return to Sport**

As the initial lockdown period drew to a close, attention turned towards how sport could return safely. From May 2020, Sport NI provided guidance and resources to the wider sporting sector to enable a safe and timely return to sport, in line with Government restrictions. Sports governing bodies, district councils, sports clubs and venue operators were supported in planning for a safe return to sports facilities for participants, coaches, officials, spectators and the public. The early stages of the project supported athlete and coach exemptions granted to facilitate high performance sport to resume training and gradually, and over time, expanded to support the whole sport sector transition towards easing of restrictions. Sport NI also liaised with UK and Irish counterparts to understand their situations. A strand of this project focused on the 'Safe Return of Spectators', with emphasis put on providing guidance and insight to facilitate safe venue operation as the regulations and restrictions shifted due to prevailing environmental factors.

## **Supporting Sport to Build Back Better**

Sport NI recognised a clear need for a long-term strategic response to the impact of COVID-19 on sport across Northern Ireland, with intervention needed over the next few years to improve the resilience and capability of the sporting system. The response, *Supporting Sport to Build Back Better*, offered a four-strand programme to address a wide-range of challenges highlighted by the pandemic.

1. Building capability – seeking to improve knowledge and skills at club and governing body levels in the areas of Business capability, Mental Health & Wellbeing, Connectivity and People Development.
2. Innovation & partnership (Project Reboot) – This project offered support at three levels of investment and sought to on the ingenuity, collaboration and resilience that had been shown by many sports organisations and communities through the pandemic.
3. Sporting Clubs Programme - A one-year extension to the Sporting Clubs Programme was approved during the year to provide grant support to Governing Bodies to manage club membership fluctuations because of the pandemic.
4. Governing Body Support Programme - A one-year programme allowing sports, not currently supported through either Sporting Clubs or Sporting Winners, to access funding during 2021-22. This was to support these organisations so that, despite the pandemic, they would be better able to make viable proposals to seek investment in the near future.

### **Sports Sustainability Fund**

Although the Sports Hardship Fund was an early lifeline, by Autumn 2020, financial pressures continued to build to the point where it was feared that many significant parts of the local sports sector may not survive pandemic intact. Restrictions saw sports clubs closed, sports events cancelled or held behind closed doors with no spectators and also impacted on hospitality, venue hire, tourism activity, social club and fundraising activity – all negatively affecting the financial position of governing bodies and their affiliated clubs. Recognising the potential for lasting damage to the social infrastructure of sport, and the role that would be expected to play in society's recovery, Sport NI and DfC secured £25m from the NI Executive for a *Sports Sustainability Fund*. The aims of the programme funding were to (i) minimise the financial stress on the sports sector due to net losses as a result of COVID-19 lockdown and ongoing restrictions; and (ii) enable Governing Bodies and clubs to plan and prepare to increase opportunities for participation in sport, recreation and community use following the end of COVID-19 restrictions.

The programme was co-designed between DfC, Sport NI and sports governing bodies, and administered by Sport NI. All 'Recognised' governing bodies and their affiliated clubs were eligible for the funding. Grants awarded were on the basis of net losses in the period 1 April 2020 – 31 March 21. These losses were calculated by comparing actual and projected income and expenditure in the 2020-21 year with the average of the previous three years.

An initial £15m funding for the programme was approved in October 2020, with a further £10m approved in November 2020. The programme was developed rapidly through November 2020 and went live for applications in early December 2020. The applications were then reviewed in line with the programme rules and payments were made from February 2021. When the programme closed on 31 March 2021, 452 awards had been made to 430 clubs and 22 governing bodies, from 35 sports reaching across Northern Ireland.

## **DRIVING SPORT FORWARD**

Whilst Sport NI has led the sector in the response to COVID-19, it is vital that sport continues to learn and grow. For that reason Sport NI worked hard to maintain activity in our key programmes and broader work-streams across both the Participation and Performance areas. Below are many of the ways in which Sport NI achieved this, all whilst balancing against COVID-19 pressures, and delivered within existing resources.

### **Tollymore National Outdoor Centre & Outdoor Adventure Sport**

Tollymore National Outdoor Centre (TNOC) is the only National Outdoor Centre on the Island of Ireland. It provides a wide range of skills and leadership training and assessment courses in canoe sport, hillwalking, rockclimbing, mountain biking and orienteering as well specific adventure sport first aid courses.

As a National Outdoor Centre, partnership working, knowledge creation, dissemination and research are core to TNOC's work; this work continued in 2020-21 with organisations such as Mountaineering Ireland, the Canoe Association NI, Cycling Ireland, the Irish Association of Adventure Tourism (IAAT), The Outdoor Partnership (TOP), Mourne Heritage Trust, Waterways Ireland and Sport Ireland.

TNOC course delivery was severely curtailed by COVID-19, with the exception of a small window in Autumn 2020. Despite this, and in line with NI Executive restrictions, the main site and Altnadue Quarry (like many recreation hubs in the Mourne area) continued to be heavily used by climbers, mountain bikers and walkers.

The value people placed on the natural environment for outdoor adventure sport & physical recreation during 2020-21 resulted in an increase in rescue service call outs, detrimental impact on the environment and increase in demand for information (such as advice on walks, access points and equipment). TNOC has engaged extensively with the Mourne Mountain Rescue Team, Adventure Smart UK, Mountaineering Ireland and local providers, to develop and share specific mountain safety information.

As an exciting opportunity to lead strategic workforce development for outdoor adventure sports, during 2020-21 TNOC agreed a formal partnership with Ulster University to develop Northern Ireland's first undergraduate degree course in outdoor sport. Our 'Instructor Development Programme' continued to be delivered during the year, with an exceptional 12 month extension of the 2019-20 cohort to mitigate the impact of lockdowns on training delivery and learning outcomes.

We initiated a scoping study to identify opportunities to strengthen TNOC's remit as an all-island resource for the outdoor adventure activities sector. The results of the engagement will help to inform further action and engagement with Sport Ireland, private sector providers and governing bodies of sport.

Northern Ireland's Outdoor Recreation Action Plan – Our Great Outdoors, continued to inform and influence much of the work undertaken by Sport NI and TNOC.

### **Mental Health & Well Being**

With lives and routines disrupted due to the pandemic, Sport NI recognised the significant impact a lack of sport could have on athletes and participants. We worked with Inspire Wellbeing to develop an online resource hub around Mental Health and Wellbeing for the sports sector. The hub has many innovative features and is particularly strong in providing clear signposting to PHA services within every geographical area in NI. The hub can be accessed at <https://www.inspiresupporthub.org/sports/>. We also used well-known sports personalities to highlight the importance of mental health & well-being in a series of webinars called Thoughtful Thursdays.

### **Supporting sport for people with a disability**

Ensuring everyone has an opportunity to access a quality sporting experience regardless of ability, is fundamental to Sport NI. During 2020-21, we continued to support and contribute to the delivery of the Active Living, No Limits Action Plan (2016-21) (ALNL). ALNL seeks to improve the health & wellbeing of people with a disability in Northern Ireland through participation in sport and active recreation. Sport NI worked with a wide range of organisations on project delivery including district councils, Disability Sport Northern Ireland and Special Olympics Ireland.

Highlights included:

- 'Stay Active' resource cards and online challenges such as 'Miles and Smiles', 'Together At Home' and the NI Virtual Boccia League.
- The 'Together At Home' programme supported athletes with a learning disability with information and resources to stay healthy and connected during lockdown. The online programme covered topics such as Sport and Fitness, Health Promotion, Strong Minds and Young Athletes.
- When restrictions eased for a period in Autumn, DSNI resumed delivery of the 'All Out Trekking Project' in Gosford Forest Park involving >130 participants.

### **Community Planning**

As a Statutory Partner in Community Planning, Sport NI is committed to supporting the delivery of the actions within each of the plans. We continued to work closely with the 11 Community Planning Partnerships to support projects that contributed to our Corporate Outcomes and strengthened collaboration working with, and between the sporting sector. Whilst COVID-19 impacted all Community Planning Partnerships with focus understandably directed towards the community response to the pandemic, it did strengthen and embed collaborative working. Sport NI recognises that inequalities in experiences of sport, that existed pre-COVID-19, were amplified by the pandemic. We invested resource funding of £74,000 in 13 projects which contributed to the delivery of the 11 Community Plans under the themes of Equality, Diversity and Good Health & Wellbeing.

These projects provided opportunities to:

- Increase and sustained participation in sport among under-represented groups;
- Provide training for coaches/volunteers involved in the delivery of sport and physical recreation within clubs and communities;
- 'Animate' public spaces through sport and physical recreation;
- Strengthen collaborative working among Community Planning partners and community/voluntary sector organisations; and
- Build confidence in individuals to resume participation in sport & physical recreation.

### **A Culture of Safety at Sports Venues**

Sport NI continues to embed a culture of safety at sports venues across NI. In addition to providing support, advice and guidance to district councils, sports and venue operators on venue safety, Sport NI, through the Sports Ground Safety Authority (SGSA) identified safety improvements relating to a number of designated venues. In October 2020 we extended this strategically significant partnership to April 2024.

COVID-19 has resulted in new challenges for Sport NI in 2020-21, particularly around sports venues and spectators. Sport NI, through partnership with the SGSA, has delivered a number of webinars on social distancing and calculating safe capacities to the sports industry. These webinars not only provided advice and guidance to venue operators of designated venues, but also other outdoor sports including Motorsport, Cricket, Hockey, and indoor sports including Bowls, Table Tennis and Gymnastics.

During 2020-21 Sport NI continued to work closely with the SGSA to ensure support for governing bodies of sport, venue operators and district councils to meet their responsibilities under the 'Safety of Sports Grounds (NI) Order (2006)'.

COVID-19 prevented SGSA from visiting all designated grounds with a current safety certificate. However, they continued to provide advice and guidance to venue operators, and local councils through attending Safety Advisory Groups (SAGs) and Lead Officer group meetings. SGSA and Sport NI provided ad hoc advice to venues throughout the year.

Despite these restrictions, we invested in 28 safety improvement projects at designated grounds throughout Northern Ireland, resulting in enhanced provision of safety equipment, installation and upgrading of control rooms and access/egress improvements for spectator safety.

### **Your School Your Club**

Maximising access to quality facilities is at the heart of *Your School Your Club*, a shared policy framework between sport, education & local government. It encourages increased access to, and sustainable use of, school sports facilities by local sports clubs and community groups.



Sport NI is a key contributor to the Your School Your Club Joint Working Group; other partners include DfC (Chair & secretariat), Department for Education (DE), Department for Agriculture, Environment & Rural Affairs (DAERA) the Education Authority and district councils (represented by the Chief Leisure Officers' Association).

During 2020-21, we facilitated nine projects that enabled improved club & community access to school sports facilities. These included a new 'Tartan' running track at St Michael's College (Enniskillen), upgraded sports hall and changing facilities at Newtownstewart Model Primary School, an upgraded pitch (turf to synthetic) with floodlights at St Mary's Primary School (Glenview) and an enhanced indoor cricket facility at Regent House Grammar (Belfast).

### **Governance, Leadership and Culture**

We continued to provide support at board and senior management level (primarily) to those sports receiving investment under the Sporting Clubs Programme; and Sporting Winners Programmes.

Examples of work adding value to those programmes include:

- An independent review of the sport of hockey as a whole (both Hockey Ireland and Ulster Hockey) was commissioned and completed, to inform future interventions across all sports;
- Legal panel framework support, including to Irish Bowls Federation and Irish Amateur Boxing Association;
- Discussions with Commission on Flags, Identity, Culture and Tradition (FICT) in relation to ongoing issues within sports;
- Reviewing the investment in Northern Ireland Sports Forum, to ensure that its work is complementary to that of Sport NI, and to agree a new business case covering the period 2020-23;
- Ensuring that Financial Systems and Control Assessments (FSCAs) were in place and remained current for organisations in receipt of investment, as per the Grants Risk Management Policy;
- Developing a 'Brexit' checklist for governing bodies to adopt in preparation for United Kingdom leaving the European Union;
- Ensuring that sports, athletes, coaches and Sport NI staff were all aware of the impact of the new 2021 Code from the World Anti-Doping Agency.

### **The Club & Workforce Environment**

Given COVID-19 restrictions, Sport NI developed new learning delivery methods for key learning and capacity building work supporting clubs. Overall, this resulted in over 10,000 digital individual learning interactions during the year. Listed below are a number of projects supported the club environment.

- The #WebinarWednesday initiative was adapted to become part of Sport NI's mainstream coach learning and development provision. Since April 2020, world-leading coach development practitioners and researchers have delivered 20 webinars across a host of pertinent themes. Almost 1,400 coaches have engaged in these sessions live, with a further 5,000 engagements in recorded sessions.
- Safeguarding training was re-modelled online with 87 workshops held and over 900 volunteers trained.

- In October 2020, Sport NI launched the public report on the NI Sports Club Survey research. Over 800 clubs took part and 166 individuals attended focus groups providing a huge amount of feedback. The Report has an accompanying action plan to target areas identified as requiring support.
- While it was not possible to hold the annual SportMaker Awards celebration to display the work of the many outstanding volunteers throughout the sports system, the process was adapted to ensure that outstanding individuals were still recognized with awards in 11 categories.

### **Performance People & Pathway Development**

Sport NI receives investment from UK Sport align and enhance practice in sports pathways across the Home Nations. Projects delivered to support sports in pathway delivery included:

- Eight Pathway Community of Practice Learning Events, Completion of Pathway Health Checks with five sports and the continuation of sport specific projects in a further 4 sports.
- Sport NI involvement in a UK Wide Research Project to investigate the inclusion landscape within talent and performance pathways
- Sport NI commissioning the design and implementation of a new Performance Coach Developer Learning Programme.

### **High Performance**

The focus of work in the high performance domain is to help athletes to win medals at World, Olympic/Paralympic, European or Commonwealth games levels. This is achieved through financial investment (Sporting Winners Programme) but also provision of expertise from the Sport Northern Ireland Sports Institute (SNISI). Investment in governing bodies of sport either regionally (Northern Ireland/Ulster) or nationally (Great Britain/Ireland) recognises Northern Ireland's position at the intersection of both the British and Irish performance sport pathways. The high performance component of Sport NI's work often focuses on creating a 'springboard' effect to fast-track athletes from Northern Ireland onto national squads and eventually onto success in international competition. Strategic work with partners Sport Ireland and UK Sport remains critical in this regard.

### **Accountability Sport Northern Ireland Sports Institute (Sports Institute)**

Lockdowns, travel restrictions and safety precautions all contributed to the cancellation of training camps and training opportunities for athletes and sports, and subsequently the cancellation or postponement of competitions including the Tokyo Olympic and Paralympic Games. Despite this, Sports Councils made efforts across the UK and Ireland, to make the argument in favour of the value and importance of elite international sport to nations as a whole. To that end, elite dispensation was offered to a small number of athletes competing at the highest levels of sport, to allow them to continue to train whilst adhering to strict guidelines and protocols.

The Sports Institute adapted immediately to home working with a focus on maximising the use of available technology to continue to communicate with sports, athletes and coaches. Some areas were able to adapt more easily to these new circumstances (Performance Skills and Nutrition), than those with a more 'hands on' delivery approach (Physiotherapy) or that required specialist equipment (Physiology and Strength & Conditioning). Despite this, service providers maintained as much contact with athletes and coaches as was possible. In early July 2020, the Sports Institute was the first part of Sport NI to partially reopen, under strict protocols, to allow the training or assessment of athletes. Through 2020-21, services were delivered from the Sports Institute into 19 HP Sports Programmes.

### **Sport NI Performance Management**

Sport NI has in place a Performance Management Policy. This provides a framework for managing staff performance, including the application of the Sport NI's Competency Framework and implementation of the annual Performance Cycle.

The policy adds value through a consistent approach to performance management in the organisation, ensuring staff at all levels understand their roles and responsibilities in managing their own and others' performance.

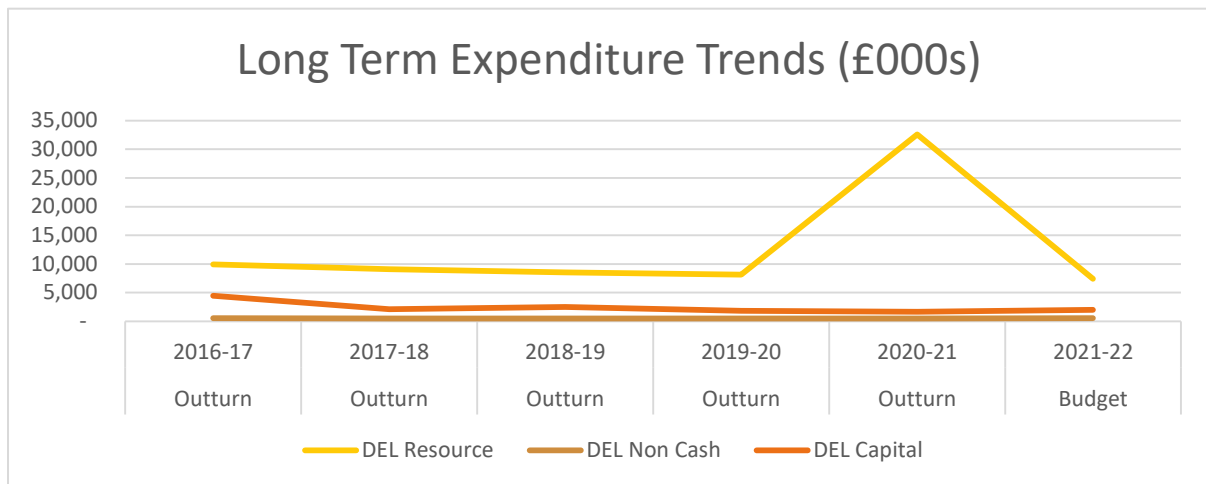
### **Communications**

The Communications Unit was significantly centred on the response to COVID-19, with the dissemination of emergency and targeted messaging on restrictions, and then Safe Return to Sport. It supported key work on sports accessing financial support via Sports Hardship Fund, and Sports Sustainability Fund as well as flagship projects such as the launch of the Sport NI Wellbeing Hub. Stakeholder engagement was a primary focus during this year, with regular sectoral workshops, and a series of surveys to identify sectoral need as a result of the pandemic. This was in addition to extensive engagement and public consultation on the Sport NI Corporate Plan 2021-26, through a co-design approach.

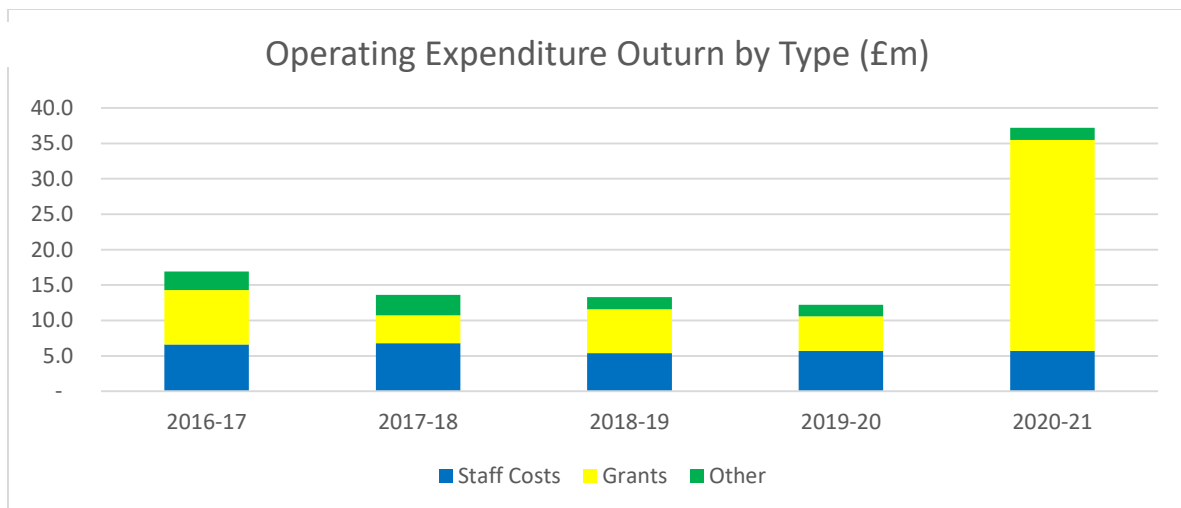
### **Financial Results**

During the course of the financial year, Sport NI continued to demonstrate sound financial management. Sport NI's key financial target is to operate within the allocated budget for the year. At the end of the year Sport NI realised total net expenditure of £35,332,028 (2019-20: £10,376,785). The taxpayers' equity at the year-end is a deficit of £11,039,534 (2019-20: £5,601,000 **Error! Reference source not found.**) which includes a pension reserve liability of £16,326,000 (2019-20: £10,403,000).

### Long Term Expenditure Trends



Revenue expenditure increased in 2020-21 as a result of an additional £26m in-year investment in the Sports Hardship Fund and Sports Sustainability Fund, to meet the immediate hardship needs of a wide range of sports clubs as a result of COVID-19. The 2021-22 opening budget of £7.417m is the same as the 2020-21 opening budget. A further allocation is expected later in the year to mitigate the continuing impact of COVID-19. Capital spend is expected to remain at a similar level to the previous two years.



Staff costs and other costs remained at the 2019-20 level. Grant payments increased by £25m from 2019-20. This was due to COVID-19 grants schemes offered in 2020-21 to support the sporting sector with the major financial pressures sporting organisations and clubs were coming under as a result of COVID-19.

## Political and Charitable Donations

Sport NI made no political or charitable donations during the year (2019-20: Nil).

## Non-Current Assets

The movement on non-current assets is reported upon in Notes 5 and 6 of the accounts. During the year assets reduced in value by £203,069 mainly due to downward revaluation of Tollymore National Outdoor Centre Building. (2019-20: £63,522 of a decrease).

## Research and Development

As part of Sport NI's role to lead with a knowledge-based evidenced approach, we commissioned, conducted and contributed towards a significant body of research during 2020-21. This included:

- [Race and Racial Inequality In Sport Research | Sport NI](https://youtu.be/Jdbe0kVkBH8)
- [UK-Wide Talent and Performance Pathway Inclusion Research Project | Sport NI](#)
- Active Healthy Kids Global Alliance, Children and Youth Physical Activity Report Card for Ireland:
- All Island Physical Literacy Consensus Statement.
- [Co-design approach to Sport NI Draft Corporate Plan](#)
- [COVID-19 Survey | Sport NI / Sport-NI-COVID-Document.pdf \(sportni.net\)](#)
- [SportNI - Supporting Sport to Build Back Better \(adobe.com\)](#)
- [Children & Young People's Task & Finish Group | Sport NI](#)
- Celebrating Diversity, Young Persons Panel

## Interest Rate And Currency Risk

Sport NI has no borrowing, relying primarily on Departmental grants for its cash requirements and is therefore not exposed to liquidity risks. It has also no material deposits. Therefore, Sport NI is not exposed to material interest rate risk and as all significant assets and liabilities are determined in sterling it is not exposed to material currency risk.

## Payment of Suppliers

Sport NI is committed to the prompt payment of bills for goods and services in accordance with the Confederation of British Industry's Prompt Payment Code. The target for payment of bills is 10 days from receipt of goods or services, or presentation of a valid invoice or similar demand, whichever is later. During 2020-21 Sport NI paid 98% (31 March 2020: 70%) of invoices within 10 working days and 92% (31 March 2020: 93%) of invoices within 30 days. Overall, for the year, the average number of days taken to pay invoices was 16 days (2019-20: 26 days). The delays were as a result of adjusting to remote working practices.

## **Pension Fund (Audited Information)**

All assets, liabilities and operating costs of Sport NI's pension scheme are recorded in the accounts of Sport NI Exchequer entity. The salary charges to Lottery in-year include a recharge of employer pension costs of £105,724 (2019-20: £133,876).

The market value of Sport NI's share of the Northern Ireland Local Government Officers' Superannuation Committee (NILGOSC) pension scheme's assets (excluding Additional Voluntary Contributions) at 31 March 2021 was £31.470m (31 March 2020: £25.14m) and the present value of Sport NI's share of the scheme liabilities was £47.796m (31 March 2020: £35.543m). Sport NI's share of the Scheme recorded net pension liabilities at 31 March 2021 was £16.326m (31 March 2020: £10.403m).

The accounting policy for pensions is disclosed in Note 1.16 in the notes to the accounts.

## **Accounts and Appointment of Auditors**

The Accounts of Sport NI are prepared in a form directed by DfC with the consent of Department of Finance in accordance with Articles 7 and 8 of the Recreation and Youth Service (Northern Ireland) Order 1986.

The financial statements are audited by the Comptroller and Auditor General (C&AG) in accordance with Article 7 of the Recreation and Youth Service (Northern Ireland) Order 1986. The C&AG is head of the Northern Ireland Audit Office. He and his staff are wholly independent of Sport NI. He reports his findings to the Northern Ireland Assembly.

The fee for the audit of these financial statements is £31,000 (2019-20: £27,000). The increase is due to the additional cost of auditing the significant COVID relief grants. This cost is included in Operating Expenditure Note 3C in the financial statements.

## **Complaints Handling**

Sport NI operates a complaints procedure to handle general complaints about its service. Complaints can be made informally by telephone or formally in writing. The Complaints Procedures can be found on the Sport NI website at: <http://www.sportni.net/about-us/procedures/>

There were two complaints (both from the same person) received in the 2020-21 financial year (2019-20: one). The complaints were about the handling of a procurement tender.

## **Impact Of Business On The Environment**

Sport NI is committed to practices and procedures that minimise impacts on the environment and has continued to make good progress in becoming a more sustainable organisation while still focusing on “making sport happen.”

In 2020-21 Sport NI worked with colleagues in the other National Lottery Distribution Fund bodies in England, Scotland and Wales to consider environmental sustainability. Those discussions have focussed on three broad themes:

- Addressing our own (internal) impacts;
- Inspiring & requiring our grant applicants; and
- Exploring dedicated funding opportunities to deliver change.

Sport NI looks forward to further progress during 2021-22 with a particular focus on:

- Developing agreed metrics;
- The role of offsetting (in a context of ‘reduce, reuse, recycle’); and
- A ‘deeper dive’ on the implications of current policies framework.

Specifically in respect of COVID-19 restrictions, during the last year Sport NI has seen a significant reduction in business travel and Sport NI is committed to more sustainable approaches to travel/transport in the future.

A key enabler and delivery platform for much of this work will be a revised Sport NI Environmental Policy. Sport NI commenced a review of this policy in late 2020 and Sport NI is developing a new Environmental Management Framework to complement implementation.

In 2020-21 Sport NI undertook a review of its existing environmental policy (2008) to ensure it is reflective of the current situation and the NI Executive declared climate emergency (03 February 2020). The policy is still under review and development but aims to:

- Ensure compliance with, and when possible exceeding of, all legislative and policy requirements in terms of environmental responsibility.
- Ensure that Sport NI minimises impacts on the local and global environment as much as is reasonably practicable while still promoting and developing sport and physical recreation.
- Promote the responsible and efficient use of natural resources among all staff.
- Where possible enhance local and regional biodiversity when supporting developments.

The review will be finalised in 2021-22. Sport NI also commenced a scoping exercise to create an environmental management system in 2020-21, which will continue in 2021-22. The environmental management system provides a framework and an action plan for the practical implementation of all elements of the policy.

### **Respect for Human Rights and Equality**

Sport NI is deeply committed to equality, diversity, inclusion and respect for human rights. We will prioritise the dignity and welfare of our staff and stakeholders. During the course of their employment, no employee receives less favourable treatment or is

discriminated against on the grounds of their sex including gender reassignment, pregnancy or maternity leave, marital or civil partnership status, sexual orientation, race or ethnic origin, religious belief, political opinion, national identity, age, or disability.

Sport NI is a member of the Northern Ireland Sport and Human Rights Forum, and has engaged with the NI Human Rights Commission in the development of our new draft Corporate Plan.

### **Rural Needs Act (NI) 2016**

The Rural Needs Act introduced a duty on public authorities in Northern Ireland to have due regard to rural needs when developing, adopting, implementing or revising policies, strategies and plans. Sport NI remains committed to ensuring that the specific needs of its stakeholders, rural or urban, are taken into account in its programme development.

This commitment has now been mainstreamed into Sport NI decision-making processes and is being carried out as part of our 'business as usual' activity.

Sport NI submitted a 2019-20 Rural Needs Act (RNA) Report in September 2021 which was accepted and approved by DAERA. Work is ongoing on the 2020-21 RNA Report with a submission date to be confirmed by DAERA.

### **Anti-corruption, Anti-fraud and Anti-bribery Matters**

Sport NI has a number of policies in place which are designed to minimise the risk of fraud. These are: Anti-Fraud and Corruption Policy & Procedures, Conflicts of Interest Policy & Procedures, Whistleblowing Policy & Procedures and Gifts and Hospitality Policy & Procedures.

During 2020-21 there were no reported incidents of suspected fraud. (2019-20: one).



**Antoinette McKeown**  
**Accounting Officer**

**Date: 16 March 2022**



## **Accountability Report**

The Accountability Report has three sections: a Corporate Governance Report; a Remuneration and Staff report; and an Assembly Accountability and Audit Report.

### **Corporate Governance Report**

The purpose of the Corporate Governance Report is to explain the composition and organisation of Sport NI's governance structures and how they support the achievement of its objectives. The Corporate Governance Report includes the Directors' Report; the Statement of Accounting Officer's responsibilities; and the Governance Statement.

### **Directors' Report**

Sport NI performed a wide range of functions during the year ending on 31 March 2021.

Principally this was providing leadership, engagement and support to the sporting sector (including financial) during the COVID-19 pandemic. It also included research, knowledge gathering and advising DfC and other government departments, local government, the Education Authority and other interested bodies on issues relating to sport and physical recreation. It encouraged participation in sport through provision of facilities & equipment, coaching, improving governance and support for sporting structures, and supporting the organisation of sporting events and competitions.

Sport NI is also one of the distributing bodies of National Lottery funding.

Appointments to the Board are made by the Minister for Communities. The Chair and members of the Board have individual and collective responsibility to the Minister as Head of Department.

The Chief Executive of Sport NI is Antoinette McKeown.

Sport NI is vested in and administered by a body corporate known as the Board of Sport NI, consisting of a Chair, Vice-Chair and seven members (as at 31 March 2021) appointed by the DfC Minister, as set out in the Recreation and Youth Service (Northern Ireland) Order 1986. The Board of Sport NI for the year ended 31 March 2021 is shown below:

**Board Members of Sport NI and members of its Audit and Risk Assurance Committee**

**Board: 1 April 2020 to 31 March 2021**

George Lucas (Chair)  
Jay Colville (Vice-Chair)  
Jackie Bryson (Resigned 31 January 2021)  
Richard Bullick  
Wilma Erskine  
Kyle Ferguson  
Kieran Harding  
Catherine O'Mullan (Resigned 31 January 2021)  
Darryl Petticrew

**The members of the Audit and Risk Committee for the year ended 31 March 2021 were:**

Jay Colville (Chair)  
Kyle Ferguson  
Kieran Harding  
Michael Matthews (co-opted member)  
Catherine O'Mullan (Resigned 31 January 2021)  
Darryl Petticrew

Several members of the Board of Sport NI and members of key management staff are also involved with other sports organisations in Northern Ireland either directly or indirectly as a result of a family relationship, a close friendship or business relationship. All individuals make an annual declaration of their interests and do not take part in discussions and decisions to make grant awards to those organisations with which they have a declared interest. A list of awards made to the organisations concerned and details of who made the declaration of interest is detailed in Note 16. The Register of Interests is also online on Sport NI's website available using the following link: <http://www.sportni.net/about-us/register-of-interests/> . All of the transactions relating to the organisations were conducted at arm's length by Sport NI.

## **Statement of the Accounting Officer's Responsibilities**

Under Article 7 of the Recreation and Youth Service (Northern Ireland) Order 1986, DfC has directed Sport NI to prepare a statement of accounts in the form and on the basis set out in the Accounts Direction for each financial year. The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of Sport NI and of its net resource outturn, application of resources, changes in taxpayers' equity and cash flows for the financial year.

In preparing the annual accounts the Accounting Officer is required to comply with the requirements of the Government Financial Reporting Manual and in particular to:

- Observe the Accounts Direction issued by DfC 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 Government Financial Reporting Manual have been followed, and disclose and explain any material departures in the financial statements;
- Prepare the financial statements on a going concern basis; and
- 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 Accounting Officer of DfC has designated the Chief Executive as Accounting Officer of Sport NI. 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 Sport NI's assets are set out in Managing Public Money Northern Ireland (MPMNI).

As the Accounting Officer, I have taken all steps that I ought to have taken to make myself aware of any relevant audit information and to establish that Sport NI'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.

## **Governance Statement**

### **Scope of Responsibility**

As Accounting Officer, I have responsibility for ensuring Sport NI's business is conducted in accordance with the law and proper standards, and that public money is properly accounted for, and used economically, efficiently and effectively. In discharging this overall responsibility, I am responsible for ensuring the existence of a robust framework of governance and accountability designed to instil a sound system of internal control, manage risk and support the achievements of Sport NI's objectives whilst safeguarding public funds and departmental assets in accordance with the responsibilities assigned to me in MPMNI. I am also personally responsible for ensuring compliance with the requirement of Sport NI's Management Statement and Financial Memorandum (MSFM) and Statement of Financial Requirements.

This responsibility is supported by: the Board; Remuneration Committee; Audit and Risk Assurance Committee; internal and external audit; Sport NI's Corporate Risk Register; and accountability meetings with DfC.

I also combine my Accounting Officer role with my responsibilities to DfC including any Ministerial directions. There were no Ministerial directions in the 2020-21 financial year.

### **Corporate Governance Code**

Sport NI complies with the principles of good practice detailed in corporate governance in central government departments: Code of Good Practice NI 2013 issued by Department of Finance and Personnel (now Department of Finance (DoF)) under cover of their letter DAO (DFP) 06/13.

Two principles were less relevant to Sport NI:

- (a) Board composition, because the DfC Minister makes appointments to the Board. However, the Board has the authority to co-opt to its committees where it deems a skill or experience is required; and
- (b) Arm's Length Bodies (ALBs). This principle has negligible relevance as it was directed towards Departments and their governance arrangements with ALB Boards.

There were no departures in the 2020-21 financial year from the application of relevant principles.

## Conflicts of Interest

Corporate Governance in Central Government Departments: Code of Good Practice (NI) 2013 also requires the Board to publish how it identified any conflicts of interest and potential conflicts and how these have been managed. FD (DoF) 04/21 includes a new reporting disclosure requirement in Annex 2, to summarise the process for identifying and managing conflicts of interest.

Sport NI's has in place a Declaration of Interests Policy. This policy and supporting procedures aim to:

- Safeguard staff and Board Members from real, potential and perceived conflicts of interest;
- Safeguard the integrity of Sport Northern Ireland's business operations;
- Provide clear guidance on expected standards and protocols around the declaration of interests and management of conflicts of interest;
- Ensure transparency and accountability; and
- Provide remedial measures.

Sport NI is committed to maintaining an honest, open and well-intentioned atmosphere within the organisation. Board Members and all staff must complete annual declarations of interests and take all necessary steps to ensure that personal interests do not conflict with the activities of Sport NI. The declarations are reported in a Conflicts of Interest Register and noted in the minutes of relevant meetings. Directors are responsible for managing real, potential and perceived conflicts of interest within their area of responsibility, and the Executive Team review the register on a regular basis. Should a conflict arise due to declared interests the member may be asked to leave the meeting and not take part in any discussion or decision-making.

In 2020/21, there were approx. 5 instances identified of potential conflict of interest during board meetings. All declarations were managed by the Chair, with the exception of one declaration relating to the Chair directly which was managed by the Board collectively. In one case, it was noted that the declaration had been flagged previously throughout the normal process and it was agreed it would be monitored closely to ensure no perceived conflict. During another case, it was agreed that the Member would refrain from discussion of agenda items to which this perceived conflict applied and would leave the meeting. For all remaining cases, it was agreed that there was not a conflict. As a result of the response to the COVID-19 pandemic and the resulting impact on the sporting sector, the Board agreed that for any discussions which arise which relate to their specific clubs or other interests, Members would refrain from discussion and leave the meeting.

Several members of the Board of Sport NI and members of key management staff are also involved with other sporting organisations in Northern Ireland either directly or indirectly as a result of a family relationship, a close friendship or business relationship. All individuals make an annual declaration of their interests and do not take part in discussions and decisions to make grant awards to those organisations with which they have a declared interest. The Conflicts of Interest Register pertaining to Board Members and Chief Executive is published on the Sport NI website, available using the following link: <http://www.sportni.net/about-us/register-of-interests/attachment/declarations-of-interests-21-22-board-summary/>

A list of awards made to the organisations concerned and details of who made the declaration of interest is detailed in Note 16. All of the transactions relating to the organisations were conducted at arm's length by Sport NI.

## **The Purpose of the Governance Framework**

The term 'Corporate Governance' describes the way in which organisations are directed, controlled and led. The purpose of a Corporate Governance Framework is to facilitate accountability for the effective and efficient delivery of an organisation's statutory responsibilities or aims and objectives. Sport NI is established to deliver on its statutory obligations under the Recreation and Youth Service Order (Northern Ireland) 1986 and is funded by public monies to do so. The corporate governance arrangements provide the framework to ensure that Sport NI delivers on its statutory obligations and that it does so in accordance with the requirements placed on all publicly funded bodies regarding the stewardship of resources.

Sport NI has an established system of internal control which is based on an ongoing process designed to identify and prioritise risks to the effective and efficient achievement of the organisation's key business objectives and priorities. The system of control also provides an assessment of the likelihood of risks being realised and the consequent impact for effective and efficient management of risks. This system of internal control has been designed to manage risk to an acceptable level rather than to eliminate risk entirely and as such does not provide absolute assurance of effectiveness.

## **Governance Framework**

There are six key organisational roles and structures defined within the corporate governance arrangements. These are the: Executive Team (ET); ET's Finance and Governance Sub-Committee; ET's Human Resources Sub-Committee; Board; Audit and Risk Assurance Committee; and the Remuneration Committee.

## **Executive Team**

For most of 2020-21 the Executive Team (ET) comprised a Chief Executive and three executive directors: Interim Director of Finance and Governance, Interim Director of Participation and Facilities and Interim Director of Performance. From 1 March 2021, a new leadership team was structured and recruited, with a Director of Sport, Chief Operating Officer, Head of Sports System, and Head of Policy & Innovation appointed and fully in place from 5 May 2021. See organisation chart on page 8. The ET supports the Board and me, as Chief Executive, by providing collective leadership and corporate collective responsibility for effective management of the organisation and taking ownership of Sport NI performance. Meeting weekly, it oversees how Sport NI plans, sets, communicates and monitors its corporate objectives.

Sport NI has developed systems of internal control and risk management in line with best practice guidelines. Directors have the appropriate and relevant professional skills and competences to provide the assurance that these controls are operating efficiently and effectively.

### **Finance and Governance Sub-Committee**

This committee comprised three directors and I throughout 2020-21. Its purpose is to support me, as Chief Executive, through active dialogue and reporting on matters pertaining to financial management, internal control, risk and governance, and takes a collective corporate responsibility for effective finance and governance decision-making. Specific aspects of the Committee's work include reviewing the deployment of financial resources, ensuring sound systems of control and risk, overseeing compliance and managing the dissemination of key information.

### **Human Resources Sub-Committee**

This committee comprises me and three directors throughout 2020-21. Its purpose is to support me, as Chief Executive, through active dialogue and reporting on matters pertaining to the needs of staff, ensuring corporate, collective responsibility for HR decisions which meet employment law requirements, are consistently applied and reflect exemplar HR practice. From financial to legal matters, the Committee helps in maximising the efficiency of Sport NI.

### **Board**

The Chair and members of the Board have individual and collective responsibility to the Minister as Head of Department to:

- Provide effective leadership for Sport NI, in particular in defining and developing its strategic direction and in setting challenging objectives;
- Act in a way that promotes high standards of public finance, including the promotion of regularity, propriety and value for money;
- Ensure that Sport NI's activities are conducted in an efficient and effective manner;
- Ensure that strategies are developed for meeting Sport NI's overall objectives in accordance with the policies and priorities established by the Minister;
- Monitor Sport NI's performance to ensure that it fully meets its aims, objectives and performance targets;
- Ensure that Sport NI's control, regulation and monitoring of its activities as well as those of any other bodies which it may sponsor or support, ensures value for money within a framework of best practice, regularity and propriety;
- Participate in the corporate planning process; and
- Appoint a Chief Executive.

The Board held 15 meetings during the year to determine policy for Sport NI and make decisions in line with that policy. I attended 15 Board meetings. Directors, managers and I produced papers and information to assist Board decision making.

The Board arranged for Department of Finance to carry out an independent Board Effectiveness Review to commence in March 2020 based on Cabinet Office good practice guidance and advice contained within the Northern Ireland Audit Office Board Effectiveness Good Practice Guide (2016). The review encompassed the following themes: objectives, strategy and remit, relationships, project management and oversight, culture and skills, risk management, governance and accountability and performance management and functioning. The Review was completed in June 2020. It reflected the findings from the Board self-assessment and contained recommendations which helped inform the Board Training and Development Plan 2020-21.

The Board has a rolling work-plan and achieved its objectives, which were set out during the year. The overall average attendance rate of members was 82%.

### 2020-21 Board/Committee Attendance

	Board Meetings			ARAC Meetings			Total Meetings		
	Attended	Held	%	Attended	Held	%	Attended	Held	%
George Lucas (Chair)	15	15	100				15	15	100
Jay Colville (Vice Chair)	15	15	100	5	5	100	20	20	100
Jackie Bryson	7	9	78				7	9	78
Richard Bullick	10	14	71				10	14	71
Wilma Erskine	14	14	100				14	14	100
Kyle Ferguson	10	14	71	5	5	100	15	19	79
Kieran Harding	7	14	50	2	5	40	9	19	47
Catherine O'Mullan	7	9	78	4	4	100	11	13	85
Darryl Petticrew	12	14	86	5	5	100	17	19	89
Michael Matthews (Co-opted to ARAC)				4	5	80	4	5	80%

Members of the Board have delegated some of their tasks to two sub-committees which oversee the activities of management and provide support:

- Audit and Risk Assurance; and
- Remuneration.

### Audit and Risk Assurance Committee

The Audit and Risk Assurance Committee comprises five members and one co-opted member, and is chaired by the Vice-Chair of the Board. It met five times during the year. I attended five of the five meetings and the Interim Director of Finance and Governance (appointed as Chief Operating Officer on 1 March 2021) attended three. The Audit and Risk Assurance Committee has a rolling work-plan and measures its performance by the achievement of its objectives.

Its terms of reference include supporting the Board and Accounting Officer by reviewing the comprehensiveness of assurances in meeting the Board and Accounting Officer's assurance needs, and by reviewing the reliability and integrity of these assurances; the activities of the internal and external auditors and overseeing the risk



culture of Sport NI; and also reviewing its own effectiveness, constitution and terms of reference and reporting the results of that review to the Board.

The Audit and Risk Assurance Committee Handbook (NI) 2018, issued under cover of DAO (DFP) 03/18, sets out five principles to be followed. These principles are:

Principle 1: Membership, independence, objectivity and understanding;

Principle 2: Skills;

Principle 3: The role of the Audit and Risk Assurance Committee;

Principle 4: Scope of work; and

Principle 5: Communication and reporting.

The Board has formally considered these and confirmed it complied with the principles.

The Committee makes regular reports to the Board. Board Members are satisfied that the Committee is providing them with assurance.

### **Remuneration Committee**

The Remuneration Committee comprises four members. Wilma Erskine was appointed Chair of the Committee on 1 January 2021, after the Chair of the Board stepped down from the role. Members were appointed by the Chair of the Board. Its remit covers only remuneration and not functional staffing matters. The Committee has specific responsibility for:

- The appointment of the CEO;
- Terms and conditions of the CEO;
- Approving the appraisal of the CEO as recommended by the Chair; and
- Approval of performance appraisal of directors as recommended by the CEO.

The Remuneration Committee met four times in 2020-21: 22 April, 10 June, 17 August and 26 November 2020.

### **Business Planning**

Each year of the five year strategic plan, amplified as necessary, forms the basis of the business plan for the forthcoming year. The business plan includes business actions, key performance indicators, milestones and targets linked to the Programme for Government and Public Service Agreements for the forthcoming year. It also links to budgeting information so that resources allocated to achieve specific objectives can readily be identified by DfC. The five-year strategy and annual business plan takes into account DfC's priorities and is framed in that context.

The draft business plan is submitted to DfC as early as possible, but should be by 31 March. Sport NI's plans are submitted to DfC for approval and include measures of performance and annual targets in respect of each of those measures and the proposed annual efficiency. The business planning system incorporates the key Sport NI objectives and the associated targets to meet those objectives. The ET reports on these targets formally on a quarterly basis to me, and I in turn report to the Board and to DfC's Sponsor Team at the governance and accountability meetings.

A five year Corporate Plan was developed by the Board and the Executive Team for 2021-26 in line with the CEO's responsibility as Accounting Officer for Sport NI. Public Consultation ended on 26 February 2021. Engagement with key stakeholders focussed on the need for a strong sporting system in Northern Ireland. It is envisaged

that the Plan was approved by the Minister in February 2022 as the culmination of extensive engagement with all those with a vested interest in the sporting sector.

## **Risk Management**

Sport NI assesses how the achievement of its policies, aims and objectives might be affected by the risks it faces, and a system of internal control is designed which mitigates those risks. The system is not designed to eliminate all risk but to strike a balance between control, cost of control and appropriate risk taking. A system of internal control was in place for the whole of 2020-21.

Sport NI's approach to risk management is guided by HM Treasury and other professional best practice, and takes full cognisance of the context and environment in which it operates. Sport NI has in place a risk management strategy which sets out roles and responsibilities and determines procedures for risk identification, monitoring, reporting and escalation of issues. It addresses risk appetite and tolerance across the breadth of business activities.

The Corporate Risk Register is compiled and managed by the Executive Team and facilitates the identification, assessment and ongoing monitoring of risks significant to Sport NI. During 2020-21, the Corporate Risk Register was a standing item at each meeting of the Executive Finance and Governance Sub-Committee, the Audit and Risk Assurance Committee and the Board.

Areas of particular focus during 2020-21 were as follows:

### **1. Transformation Programme**

Sport NI is currently working through a Route Map for organisational development, as part of an organisational transformation journey, focussing on organisational leadership, culture, communication and governance, which are vital to achieving necessary, successful and sustained change. The organisation has four critical component parts of the Route Map: culture transformation; strategy; organisational structure and; digital transformation.

Sport NI is currently restructuring staff in the organisation and a business case was approved by DfC in relation to the appointment of four new Executive posts, appointed by 5 May 2021.

A Health Check Review was carried out by two external independent experts in March 2021. They awarded an amber rating. The Executive Team's focus in early 2021-22 is to progress the restructure exercise. A further business case for the approval of 10 new management posts has been approved by DfC as required in the MSFM.

## **2. McBride Judgment**

In May 2019 a decision reached in the High Court held that a specific Non Departmental Public Body, as a body corporate, under its governing legislation could not lawfully delegate its decision making functions to its staff alone. Sport NI has also been identified as a body corporate without having the ability to delegate decision making functions to staff. Following consideration of the judgment and having carried out an assessment of the potential impact on the ability of the organisation to carry out its functions, the Board:

- Can confirm it was involved in all major funding decisions including grants paid;
- Is content that sufficient oversight has been, and continues to be, in place to allow Sport NI, with the assistance of its staff, to deliver its programme of work; and
- Is content with the regularity of expenditure incurred by Sport NI.

## **3. COVID Response**

Throughout 2020-21 COVID-19 continued to be a global challenge. Sport NI staff worked with relevant stakeholders to deliver against objectives and support the Sport sector through the challenges of the pandemic. Details of support provided to the sector are detailed on pages 17 to 19.

The Comptroller & Auditor General published a Report on the Sports Sustainability Fund (SSF), in June 2021, which was considered by the Public Accounts Committee. The Report acknowledged that SSF was an important scheme that had to be designed and delivered at pace, and that delay could have resulted in the scheme not meeting its aim.

The Report highlighted a number of learning points that Sport NI has already begun to factor into the design and delivery of future programmes. These include caps on awards or additional requests for information on large awards; consideration of applicant reserves; and only covering losses to a maximum of a zero position.

Sport NI welcomes the Report's view that the scheme was successful in its aim of getting funding to the sports sector to ensure losses incurred, due to COVID-19 restrictions were mitigated. The PAC published its report in February 2022.

## **Legal Action**

Two employees lodged Industrial Tribunal claims against Sport NI in 2019-20. Both claims are being vigorously defended by the organisation. The Industrial Tribunal has postponed hearings as a result of the arrangements to prevent the spread of COVID-19. One claim was withdrawn by the employee in February 2022, while no date has been set for the second.

## **Information Assurance**

Sport NI's Information Governance and Security Unit safeguards business and personal data. Sport NI is compliant with the measures of the General Data Protection

Regulations (GDPR). All staff received GDPR online training. Sport NI maintains an Information Asset register which is updated annually. All staff received 'A guide to Physical, Document and IT Security' and the organisation operates a clear desk policy.

There were no reportable incidents of a loss of data or information during the year.

### **Governance & Accountability within Sport NI**

The annual internal audit plan is created on a risk basis. Our internal auditors, RSM, evaluated our risk management processes and considered that they could place reliance on our risk register to inform the audit plan. They used various sources of information and discussed priorities for internal audit coverage with the following people:

- Interim Director of Finance and Governance (appointed as Chief Operating Officer on 1 March 2021); and
- Audit and Risk Assurance Committee (ARAC).

The sources of information included:

- Previous internal audit plan and Annual Assurance report;
- Requests from the senior management team;
- Draft Corporate Plan 2021-26;
- ARAC requests;
- Board and ARAC minutes;
- Corporate Risk Register;
- Annual report and financial statements; and
- Specific areas requested by DfC for inclusion.

The Audit and Risk Assurance Committee reviewed and approved the Internal Audit Plan 2020-21 and the Internal Audit Strategy 2018-21 at its meeting in December 2019. I ensured that there was sufficient flexibility in the plan to allow for changes to be made during the year to reflect any significant changes in the risk environment and the emergence of new risks.

All reports of the internal auditors were discussed by ARAC and with senior members of staff in attendance, including those whose departments were reported upon by the auditors. This gave me and members of the Committee the opportunity to discuss, in detail, the findings, recommendations and proposed management actions. Directors that had failings in their respective programme areas identified by the internal auditors were required to devise corrective action and set a completion date for that action in consultation with the internal auditors. I receive regular reports from the auditors

notifying me of the progress my Directors have achieved in clearing up points raised by both internal and external auditors in previous years.

### **Sources of Independent Assurance**

RSM is the Internal Auditor for Sport NI and issued an internal audit assurance statement to the Audit and Risk Assurance Committee of Sport NI in respect of the year ended 31 March 2021. The report provided an annual internal audit opinion, based upon and limited to the work performed, on the overall adequacy and effectiveness of the organisation's risk management, control and governance processes. The head of internal audit opinion for Sport NI was as follows: "Overall, there is a satisfactory system of governance, risk management and control. While there may be some residual risk identified, this should not significantly impact on the achievement of system objectives."

The Comptroller and Auditor General to the Northern Ireland Assembly certifies the accounts and provides an opinion whether, in all material respects, the expenditure and income have been applied to the purposes intended by the Assembly and the financial transactions conform to the authorities which govern Sport NI. The Comptroller and Auditor General also provides an opinion on the truth and fairness of the attached financial statement for the year ended 31 March 2021, and their supporting notes.

### **Review of Effectiveness of the Governance Framework**

As Accounting Officer, I have responsibility for reviewing the effectiveness of the system of internal control. My review is informed by the work of the internal auditors and senior management within Sport NI who have responsibility for the development and maintenance of the internal control framework, and comments made by the external auditors in their management letter and other reports. As a result of their work during the year, the internal auditors have produced an annual certificate of assurance with regard to the adequacy of the systems and the operation of internal controls within Sport NI. I have been advised on the implications of the result of my review of the effectiveness of the system of internal control by the Board and the Audit and Risk Assurance Committee, and a plan to address weaknesses and ensure continuous improvement of the internal control system is in place.

The Audit and Risk Assurance Committee reviews its effectiveness and questions the activities of risk owners. Furthermore, our internal audit function reviews the risk-management processes as part of its work and can provide the benefit of its experience of other organisations' risk-management activities.

All policy papers put to the Board for decision contain a discussion of the risks associated with taking the possible courses of actions. The Board also regularly discusses the risks on the Corporate Risk Register with the risk owners. The Board has considered the quality of data used by the Board across all business areas and finds the information provided by management suitable for the purposes of making effective decisions.

## **Department for the Communities Partnership Arrangements**

There were four governance meetings held during the year between the sponsor division of DfC and Sport NI in line with the provisions of the Management Statement and Financial Memorandum (MSFM) to discuss and monitor performance against the 2020-21 Business Plan throughout the year. In addition, Sport NI responded to a significant number of requests for information and to the requirements to submit returns to DfC on a regular basis on a range of matters to satisfy the governance requirements of DfC. DfC and Sport NI are meeting to review the MSFM in light of the new partnership agreement framework introduced by DoF with a view to having the partnership agreement in place in the 2021-22 year.

There were no ministerial directions given during the financial year.

## **Quality of Information**

The Board of Sport NI has reviewed the quality of the information made available by the Executive Team for the purpose of effective decision making. The Board considers that the accuracy, timing and availability of the financial information and the support given to ensure that the Audit and Risk Assurance Committee functions effectively is satisfactory.

## **Events after the Reporting Period**

None

## **Conclusion**

As a result of the above, I believe that Sport NI's internal control and governance framework provides me with the level of assurance that I require. There is nothing of which I am aware that leads me to believe that our systems for detecting and responding to inefficiency, for preventing conflicts of interest, for preventing and detecting fraud and for minimising losses of grant-in-aid are not adequate. I believe that Sport NI's governance structure has operated successfully in 2020-21.



**Antoinette McKeown**  
Accounting Officer

**Date: 16 March 2022**

## **Remuneration and Staff Report**

### **Introduction**

The Remuneration and Staff Report sets out Sport NI's remuneration policy, reports on how it has been implemented and sets out the amounts awarded to the senior officers and members of the Management Committee. In addition, details are provided on remuneration and staff that are key to Sport NI's accountability as a Non-Departmental Public Body.

### **Remuneration Report**

#### **Remuneration Policy**

The remuneration of senior civil servants is set by the Minister for Finance. The Minister implemented a reform of arrangements for senior civil service pay and set a Pay Strategy for 2012 and 2013. The new remuneration arrangements and Pay Strategy have been developed following an assessment of the recommendations made by the Senior Salaries Review Body, the work emerging from the NICS comprehensive pay and grading review and to reflect the agenda set out in the NICS People Strategy. The new arrangements are based on a system of shorter pay scales containing a number of pay points from minima to maxima.

The 2020-21 pay award was approved and paid to Sport NI staff in December 2021.

Within Sport NI, the Chief Executive is employed on terms similar to Senior Civil Service. A pay remit for Chief Executive's pay from 2014 to 2021 is with Department for Communities for Approval. The amount outstanding has been calculated as £40k as at 31 March 2021. All Executive Team members are employed analogous to Grade 6 or 7. The Chief Executive assesses the performance of Directors. The Remuneration Committee is responsible for approving the Chief Executive's salary and assessing performance.

All staff costs are incurred by Sport NI Exchequer Account and an appropriate amount is recharged to Sport NI Lottery Account. The apportionment is made at full economic costs and calculated on the basis of full time equivalent staff.

#### **Service Contracts**

Sport NI staff appointments are made in accordance with the Sport NI Recruitment and Selection Policy and Procedures, which requires appointment to be on merit on the basis of fair and open competition.

Unless otherwise stated below, the officials covered by this report hold appointments, which are open-ended. The notice period or compensation for early termination (other than for misconduct) of a contract is three months for the Chief Executive and Directors. Policy relating to notice periods and termination payments is contained in Sport NI Staff Handbook and individual Terms and Conditions of Employment.

**Remuneration and Pension Entitlements (Audited Information)**

The following section provides details of the remuneration and pension entitlements of the Chief Executive and Directors of Sport NI.

Employee	2020-21				2019-20			
	Salary* £'000	Benefits in kind (to nearest £100)	Pension Benefits** (to nearest £'000)	Total £'000	Salary* £'000	Benefits in kind (to nearest £100)	Pension Benefits** (to nearest £'000)	Total £'000
Antoinette McKeown Chief Executive	80-85	-	29	110-115	80-85	-	28	110-115
Peter McCabe Interim Director of Performance (from 21 May 2018)	60-65	-	78	135-140	55-60	-	31	85-90
John News Interim Director of Participation (from 21 May 2018)	70-75	-	82	155-160	65-70	-	17	80-85
Adrian Doherty*** Director of Finance & Governance (to 28 Feb 2021)	60-65 (65-70 full year equivalent)	-	25	85-90 (90-95 full year equivalent)	45-50 (50-55 full year equivalent)	-	20	65-70 (70-75 full year equivalent)
Adrian Doherty**** Chief Operating Officer (Appointed 1 Mar 2021)	5-10 (60-65 full year equivalent)	-	2	5-10 (60-65 full year equivalent)	-	-	-	-
Richard Archibald Head of Sport System (appointed 15 Mar 2021)	0-5 (45-50 full year equivalent)	-	16	15-20 (65-70 full year equivalent)	-	-	-	-

\*Salary costs include salary arrears from previous financial years. In addition, the accounts include an accrual of back pay for the CEO resulting from unpaid pay awards from 2014-15 year and whilst it is not yet approved for payment it is estimated to be in the band £40-45k at 31 March 2021. It will be disclosed in the remuneration table above in the year they are paid.

\*\*The value of pension benefits accrued during the year is calculated as (the real increase in pension multiplied by 20) plus (the real increase in any lump sum) less (the contributions made by the individual). The real increases exclude increases due to inflation or any increase or decreases due to a transfer of pension rights.

\*\*\*Seconded to Sport NI as Interim Director of Finance & Governance from 7 May 2019 to 28 February 2021. Salary details disclosed relate to charges invoiced by his employer (excluding VAT).

\*\*\*\*Appointed Chief Operating Officer on 1 March 2021 through recruitment competition.



## Salary

'Salary' includes gross salary; overtime; recruitment and retention allowances; private office allowances and any other allowance to the extent that it is subject to UK taxation and any gratia payments.

## 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 of £NIL were paid in 2020-21: nil (2019-20: £NIL).

## Payments to Past Directors

During 2020-21 £1,524 was paid to past directors for backdated pay awards (2019-20: £5,097).

## Fair Pay Disclosures (Audited Information)

	2020-21	2019-20
Band of Highest Paid Director's Total Remuneration* (£000)	80-85	80-85
Median Total Remuneration* (£)	31,137	31,070
Ratio	2.65	2.66

*\*Total remuneration includes salary, non-consolidated performance-related pay, and benefits-in-kind. 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 Sport NI in the financial year 2020-21 was £80,000-£85,000 (2019-20: £80,000-£85,000). This was 2.65 times (2019-20: 2.66) the median remuneration of the workforce, which was £31,137 (2019-20: £31,070).

In 2020-21, no employees received remuneration in excess of the highest-paid director (2020-21: NIL).

Remuneration ranged from £3,500 to £84,760 (2020-21: £3,500 to £84,760).

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

## Board Members' Honoraria (Audited Information)

The Chair received honorarium during 2020-21 totalling £26,880 (2019-20: £26,880). The Vice-Chair received £3,500 (2019-20: £3,500). The level of remuneration was set by DfC to more fairly reflect the actual workload required in the role. The increased time commitment required from the Chair and Vice Chair will continue until such time DfC is satisfied that this can be reduced back again.

## Sport NI Exchequer Account 2020-21

No emoluments were paid to other Sport NI Board members in respect of Exchequer activities. Sport NI does not pay any pension contributions on behalf of the Chair or Vice-Chair.

All Board Members are recompensed for their vouched expenses incurred in carrying out their duties.

### Pension Entitlements (Audited Information)

Employee	Accrued pension at pension age as at 31/3/21 and related lump sum	Real increase in pension and related lump sum at pension age	CETV at 31/3/21	CETV at 31/3/20	Real increase in CETV
	£'000s	£'000s	£'000s	£'000s	£'000s
Antoinette McKeown Chief Executive	10-15 plus Nil lump sum	0-2.5 plus Nil lump sum	176	148	20
Peter McCabe Interim Director of Performance (from 21 May 2018)	30-35 plus 60-65 lump sum	2.5-5 plus 5-10 lump sum	710	660	41
John News Interim Director of Participation (from 21 May 2018)	25-30 plus 30-35 lump sum	0-2.5 plus Minus 0-2.5 lump sum	422	347	67
Adrian Doherty Interim Director of Finance & Governance (7 May 2019 – 28 February 2021)	15-20 plus 30-35 lump sum	0-2.5 plus Minus 0-2.5 lump sum	300	274	15
Adrian Doherty Chief Operating Officer (appointed 01 March 2021)	0-2.5 plus Nil lump sum	0-2.5 plus Nil lump sum	1	-	1
Richard Archibald Head of Sports Systems (appointed 15 Mar 2021)	5-10 plus 0-2.5 lump sum	0-2.5 plus 0-2.5 lump sum	107	98	9

## Northern Ireland Local Government Officers' Superannuation Committee Scheme

Sport NI participates in the Northern Ireland Local Government Officers' Pension Fund (LGPS) and made contributions for 102 employees. The pension scheme is administered by the Local Government Officers' Superannuation Committee (NILGOSC). The pension scheme is a funded multi-employer defined benefit scheme. The Scheme Actuary, AON Hewitt, is responsible for carrying out full valuations every 3 years. The latest full actuarial valuation was 31 March 2019. The outcome of this valuation was used as the basis for the valuation at 31 March 2021 and to set the level of contributions for employers from 1 April 2020 to 31 March 2022.

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 processed through Sport NI Exchequer Account, and a recharge is made to Sport NI Lottery Account for any pension costs incurred on its behalf. During the year 14 staff were recharged to Lottery (2019-20: 17).

Employee contribution rates for all members for the period 1 April 2020 – 31 March 2021 were as follows:

Band	Range	Contribution Rate
1	£0 - £15,000	5.5%
2	£15,001 - £22,600	5.8%
3	£22,901 - £38,300	6.5%
4	£38,301 - £46,400	6.8%
5	£46,401 - £91,900	8.5%
6	>£91,900	10.5%

The employer contribution rate for 2020-21 is 19.5% plus individual employer deficit amount.

Further details about the NILGOSC pension scheme can be found in Note 11 and at [www.nilgosc.org.uk](http://www.nilgosc.org.uk).

Secondes are members of the PCSPS (NI). Further details on this scheme can be found at [www.finance-ni.gov.uk](http://www.finance-ni.gov.uk).

## **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 from 2003-04 the other pension details, include the value of any pension benefit in another scheme or arrangement which the individual has transferred to the NILGOSC 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 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 effectively 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. However, the real increase calculation uses common actuarial factors at the start and end of the period so that it disregards the effect of any changes in factors and focuses only on the increase that is funded by the employer.

## **Pension scheme triennial valuations**

Details regarding formal triennial valuations of the pension scheme are included in note 22. The 2016 Scheme Valuation requires adjustment as a result of the 'McCloud remedy'. The Department of Finance also commissioned a consultation in relation to the Cost Cap element of Scheme Valuations, which closed on 25 June 2021. The Cost Cap mechanism is a measure of scheme costs and determines whether member costs or scheme benefits require adjustment to maintain costs within a set corridor. By taking into account the increased value of public service pensions, as a result of the 'McCloud remedy', scheme cost control valuation (Cost Cap) outcomes will show greater costs than otherwise would have been expected. On completion of the consultation process the 2016 Valuation will be completed and the final cost cap results will be determined. A case for approval of a Legislative Consent Motion (LCM) has been laid in the Assembly to extend the Public Service Pensions and Judicial Offices Bill to Northern Ireland. An LCM allows the Assembly to consent to legislation for Northern Ireland being made by the UK Parliament for devolved matters. The UK Bill will legislate how the government will remove the discrimination identified in the McCloud judgment. The

## Sport NI Exchequer Account 2020-21

Bill also includes provisions that employees will not experience any detriment if the adjusted valuation costs breach the set cost cap ceiling but any breaches of the cost cap floor (positive employee impacts) in the completed valuations will be honoured.

### **Compensation for Loss of Office (Audited Information)**

No directors of Sport NI received any compensation for loss of office during the year 2020-21 (2019-20: Nil).

## Staff Report

### Staff Costs and Numbers (Audited Information)

#### Staff Costs

The following section is subject to audit.

Staff costs are incurred by Sport NI Exchequer account and amounts recharged to Sport NI Lottery Account for work on Lottery activities.

	2020-21 £	2020-21 £	2020-21 £	2019-20 £
	Permanently Employed Staff	Others	Total	Total
Wages and Salaries	3,181,569	-	3,181,569	3,063,838
Social Security Costs	293,389	-	293,389	291,918
Pension Costs	1,411,227	-	1,411,227	1,255,503
Agency Costs	-	866,976	866,976	1,069,893
<b>Sub Total</b>	<b>4,886,185</b>	<b>866,976</b>	<b>5,753,161</b>	<b>5,681,152</b>
Less: Staff Costs Recharged to Sport NI Lottery Account	(715,643)	-	(715,643)	(771,889)
Less: Recoveries in Respect of Outward Secondments	(151,440)	-	(151,440)	(167,512)
<b>Total Net Costs</b>	<b>4,019,102</b>	<b>866,976</b>	<b>4,886,078</b>	<b>4,741,751</b>

### Average Number of Persons Employed (Audited Information)

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

#### Sport NI

	2020-21			2019-20
	Permanently Employed	Others	Total	Total
	No.	No.	No.	No.
Directly employed	72	6	78	83
Seconded In	-	3	3	5
Seconded Out	3	-	3	-
Agency	-	23	23	20
<b>Total</b>	<b>75</b>	<b>32</b>	<b>107</b>	<b>108</b>

All of the staff were employed by Sport NI and the proportion in relation to Sport NI Lottery Account is based on percentage of Officer's time spent on Lottery work activities.

**Sport NI Lottery**

	2020-21			2019-20
	Permanently Employed	Others	Total	Total
	No.	No.	No.	No.
Directly employed	13	-	13	17
Seconded In	-	-	-	-
Seconded Out	-	-	-	-
Agency	-	1	1	-
<b>Total</b>	<b>13</b>	<b>1</b>	<b>14</b>	<b>17</b>

**Number of Directors (Audited Information)**

Director's Salary (Actual)	2020-21	2019-20
£5,000-£10,000	-	-
£10,000-£15,000	-	-
£15,000-£20,000	-	-
£20,000-£25,000	-	-
£25,000-£30,000	-	-
£30,000-£35,000	-	-
£35,000-£40,000	-	-
£45,000-£50,000	1	1
£50,000-£55,000	-	-
£55,000-£60,000	-	1
£60,000-£65,000	1	-
£65,000-£70,000	1	1
£70,000-£75,000	1	-
£75,000-£80,000	-	-
£80,000-£85,000	1	1
£85,000-£90,000	-	-
£90,000-£95,000	-	-
£95,000-£100,000	-	-
<b>Total Number of Directors</b>	<b>5</b>	<b>4</b>

The table above includes temporary secondments to Sport NI. Only a proportion of each director's salary is recharged to Lottery.

**Chief Executive's Remuneration (Audited Information)**

The remuneration received by the Chief Executive during the year was £84,760 (2019-20: £84,760). The Chief Executive is an ordinary member of the Northern Ireland Local Government Officers' Superannuation Committee (NILGOSC) pension scheme.

## Staff Composition

The actual composition of staff employed by Sport NI at 31 March was as follows:

	Male Directors	Male Employees	Female Directors	Female Employees
2020-21				
Directly Employed	4	41	1	44
Board*	-	-	-	-
Agency/Secondments	-	18	-	11
Total	4	59	1	55

	Male Directors	Male Employees	Female Directors	Female Employees
2019-20				
Directly Employed	2	42	1	44
Board*	-	-	-	-
Agency/Secondments	1	15	-	8
Total	3	57	1	52

\*Board Members are employed by DfC. The Chair and Vice Chair are the only Members to receive honorarium from Sport NI.

## Staff Turnover

Sport NI had two leavers during 2020-21 and three new starts. (2019-20: 0 leavers, 4 new start)

## Sickness Absence Data

The number of sick days reported in 2020-21 was 228 (2019-20: 415). Sport NI had an average of 2.87 days absence per full time equivalent person in 2020-21 (2019-20: 5.03).

## Staff Policies Applied During the Financial Year

### Employee Consultation

On matters of policy and procedure which affect the employees of Sport NI, the organisation normally consults with the recognised trade union of which staff are members. This trade union is also a member of the Whitley Council which negotiates the terms and conditions of members with the Northern Ireland Department of Finance.

During 2020-21 Sport NI revised a number of HR policies in consultation with NIPSA: Disciplinary Policy, Grievance Policy, Uniform Appeals Policy and Whistleblowing Procedure. We also consulted extensively on the restructure exercise.



### **Equality of Opportunity**

Sport NI is committed to the development of positive policies to promote equal opportunity in employment based on practices which are non-discriminatory as between people of differing abilities, religion, political view, nationality, race, colour or sex. An equal opportunities policy has been in place since March 2004.

### **Employees with a Disability**

Sport NI ensures that people with a disability are given opportunities for suitable employment and that they are not discriminated against on the grounds of disability for recruitment, training or promotion purposes.

### **Health and Safety**

Sport NI is committed to providing staff with an environment that is as far as possible, safe and free from risk to health. In accordance with this commitment, Sport NI has complied with relevant legislation.

### **Expenditure on Consultancy**

The following costs were incurred during the year for consultancy (excluding managed service).

	<b>2020-21</b>	<b>2019-20</b>
	<b>£</b>	<b>£</b>
Actuary Report	1,110	2,040
<b>Total Expenditure on Consultancy</b>	<b>1,110</b>	<b>2,040</b>

### **Off-Payroll Disclosures**

Off-payroll engagements are those where individuals, either self-employed or acting through a personal service company, are paid gross by the employer. In line with HM Treasury requirements, Department of Finance requires disclosure of such engagements that cost more than £245 per day and that last for longer than 6 months. Sport NI had no such off-payroll engagements commencing or operating during 2020-21 (2019-20: NIL).

### **Reporting of Exit Packages (Audited Information)**

No redundancy or other departure costs were paid in 2020-21 (2019-20: NIL).



**Antoinette McKeown**  
Accounting Officer

**Date: 16 March 2022**

## Assembly Accountability and Audit Report

The Assembly Parliamentary Accountability and Audit Report brings together the key Assembly accountability documents. It includes:

- Regularity of expenditure;
- Assembly Accountability Disclosure Notes; and
- The Certificate and Report of the Comptroller and Auditor General to the Northern Ireland Assembly.

### Assembly Accountability Disclosure Notes

#### Regularity of Expenditure (Audited Information)

There were no losses or special payments in the year ended 31 March 2021 (2019-20: Nil).

#### Fees and Charges (Audited information)

Tollymore National Outdoor Centre (TNOC) is the only operation within Sport NI that would have a significant level of income generation (see further details below). For all other areas a detailed analysis of fees and charges information is not provided as the income and full costs of each service are immaterial.

Skills and Leadership course provision at the Centre in TNOC are subsidised by funding received from DfC. TNOC activities where no market failure exists, full cost recovery is applied to prevent direct competition.

TNOC income is mainly generated through booking of courses; climbing wall use; accommodation; venue hire; and catering. During the year, TNOC generated £51,321 of income (2019-20: £298,790) against costs of £971,331 (2019-20: £979,441). In 2020-21 costs remained similar due to the fixed nature of most TNOC costs, while income was lower than previous years due to closure of TNOC in response to the COVID-19 pandemic.

#### Remote Contingent Liabilities (Audited information)

Sport NI is also required to report liabilities for which the likelihood of a transfer of economic benefit in settlement is too remote to meet the definition of contingent liability. There were no remote contingent liabilities for the year ended 31 March 2021 (2019-20: Nil). Contingent liabilities are disclosed in Note 15 of the Financial Statements.



**Antoinette McKeown**  
Accounting Officer

**Date: 16 March 2022**

## **THE CERTIFICATE AND REPORT OF THE COMPTROLLER AND AUDITOR GENERAL TO THE NORTHERN IRELAND ASSEMBLY**

### **Opinion on financial statements**

I certify that I have audited the financial statements of the Sports Council for Northern Ireland Exchequer Account for the year ended 31<sup>st</sup> March 2021 under the Recreation and Youth Service (Northern Ireland) Order 1986. The financial statements comprise: the Statements of Comprehensive Net Expenditure, Financial Position, Cash Flows, Changes in Taxpayers' Equity; and the related notes, including significant accounting policies. These financial statements have been prepared under the accounting policies set out within them. The financial reporting framework that has been applied in their preparation is applicable law and the International Financial Reporting Standards as adopted by the European Union and interpreted by the Government Financial Reporting Manual.

I have also audited the information in the Accountability Report that is described in that report as having been audited.

In my opinion the financial statements:

- give a true and fair view of the state of Sports Council for Northern Ireland Exchequer Account's affairs as at 31<sup>st</sup> March 2021 and of the Sports Council for Northern Ireland Exchequer Account's net expenditure for the year then ended; and
- have been properly prepared in accordance with the Recreation and Youth Service (Northern Ireland) Order 1986 and Department for Communities' directions issued thereunder.

### **Opinion on regularity**

In my opinion, in all material respects the expenditure and income recorded in the financial statements have been applied to the purposes intended by the Assembly 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 (ISAs) (UK), applicable law and Practice Note 10 'Audit of Financial Statements of Public Sector Entities in the United Kingdom'. My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of this certificate.

My staff and I are independent of Sports Council for Northern Ireland in accordance with the ethical requirements of the Financial Reporting Council's Revised Ethical Standard 2019, and have fulfilled our other ethical responsibilities in accordance with these requirements.

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

### **Conclusions relating to going concern**

In auditing the financial statements, I have concluded that Sports Council for Northern Ireland'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 Sports Council for Northern Ireland'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.

The going concern basis of accounting for Sports Council for Northern Ireland is adopted in consideration of the requirements set out in the Government Reporting Manual, which require entities to adopt the going concern basis of accounting in the preparation of the financial statements where it anticipated that the services which they provide will continue into the future.

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

### **Other Information**

The other information comprises the information included in the annual report other than the financial statements, the parts of the Accountability Report described in that report as having been audited, and my audit certificate and report. The Board and the Accounting Officer are responsible for the other information included in the annual report. My opinion on the financial statements does not cover the other information and except to the extent otherwise explicitly stated in my report 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, based on the work undertaken in the course of the audit:

- the parts of the Accountability Report to be audited have been properly prepared in accordance with Department for Communities directions made under the Recreation and Youth Service (Northern Ireland) Order 1986; and
- the information given in the Performance Report and Accountability Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

### **Matters on which I report by exception**

In the light of the knowledge and understanding of the Sports Council for Northern Ireland and its environment obtained in the course of the audit, I have not identified material misstatements in the Performance Report and Accountability Report. I have nothing to report in respect of the following matters which I report to you if, in my opinion:

- adequate accounting records have not been kept; or
- the financial statements and the parts of the Accountability Report to be audited are not in agreement with the accounting records; or
- certain disclosures of remuneration specified by the Government Financial Reporting Manual are not made; or
- I have not received all of the information and explanations I require for my audit; or
- the Governance Statement does not reflect compliance with the Department of Finance's guidance.

### **Responsibilities of the Accounting Officer for the financial statements**

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

- the preparation of the financial statements in accordance with the applicable financial reporting framework and for being satisfied that they give a true and fair view;
- such internal controls as the Accounting Officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error;
- assessing Sports Council for Northern Ireland'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 Sports Council for Northern Ireland will not continue to be provided in the future.

### **Auditor's responsibilities for the audit of the financial statements**

My responsibility is to examine and certify and report on the financial statements in accordance with the Recreation and Youth Service (Northern Ireland) Order 1986.

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.

I design procedures in line with my responsibilities, outlined above, to detect material misstatements in respect of non-compliance with laws and regulation, including fraud.

My procedures included:

- obtaining an understanding of the legal and regulatory framework applicable to the Sports Council for Northern Ireland through discussion with management and application of extensive public sector accountability knowledge. The key laws and regulations I considered included Recreation and Youth Service (Northern Ireland) Order 1986;
- making enquires of management and those charged with governance on the Sport Council of Northern Ireland's compliance with laws and regulations;
- making enquiries of internal audit, management and those charged with governance as to susceptibility to irregularity and fraud, their assessment of the risk of material misstatement due to fraud and irregularity, and their knowledge of actual, suspected and alleged fraud and irregularity;
- completing risk assessment procedures to assess the susceptibility of Sport Council for Northern Ireland's financial statements to material misstatement, including how fraud might occur. This included, but was not limited to, an engagement director led engagement team discussion on fraud to identify particular areas, transaction streams and business practices that may be susceptible to material misstatement due to fraud. As part of this discussion, I identified potential for fraud in the following areas: revenue recognition, expenditure recognition and posting of unusual journals.
- engagement director oversight to ensure the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with the applicable legal and regulatory framework throughout the audit;
- designing audit procedures to address specific laws and regulations which the engagement team considered to have a direct material effect on the financial statements in terms of misstatement and irregularity, including fraud. These audit procedures included, but were not limited to, reading board and committee minutes, and agreeing financial statement disclosures to underlying supporting documentation and approvals as appropriate;
- addressing the risk of fraud as a result of management override of controls by:
  - performing analytical procedures to identify unusual or unexpected relationships or movements;
  - testing journal entries to identify potential anomalies, and inappropriate or unauthorised adjustments;
  - assessing whether judgements and other assumptions made in determining accounting estimates were indicative of potential bias; and

- investigating significant or unusual transactions made outside of the normal course of business.

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

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

## Report

The account includes £23m of Sport Sustainability Grants. In June 2021, I separately reported on this grant scheme in my report 'Sports Sustainability Fund'.

A handwritten signature in black ink that reads "K J Donnelly". The signature is written in a cursive style with a long, sweeping tail on the letter 'y'.

*K J Donnelly  
Comptroller and Auditor General  
Northern Ireland Audit Office  
1 Bradford Court  
Galwally  
BELFAST  
BT8 6RB*

*Date 23 March 2022*

## STATEMENT OF COMPREHENSIVE NET EXPENDITURE FOR YEAR ENDING 31 MARCH 2021

	Notes	2020-21 £	2019-20 £
Income from sale of goods and services	4A	1,875,967	1,801,920
Other operating income	4B	4,027	25,481
<b>Total Operating Income</b>		<b>1,879,994</b>	<b>1,827,401</b>
Staff costs	3A	(5,753,161)	(5,681,152)
Expenditure on Sports	3B	(29,795,620)	(4,941,908)
Other operating expenditure	3C	(1,150,541)	(1,093,721)
Depreciation and impairment charges	5/6	(512,700)	(487,405)
<b>Total Operating Expenditure</b>		<b>(37,212,022)</b>	<b>(12,204,186)</b>
<b>Net Expenditure For the Year</b>		<b>(35,332,028)</b>	<b>(10,376,785)</b>
<b>Other Comprehensive Net Expenditure</b>			
Items that will not be reclassified to net operating expenditure:			
Net gain on revaluation of Property, Plant and Equipment	5	128,468	358,708
Net gain on revaluation of Intangible Assets	6	747	748
Actuarial loss on pension scheme	11.5	(5,145,000)	(3,776,000)
Items that may be reclassified to net operating expenditure:		-	-
<b>Comprehensive Net Expenditure for the Year</b>		<b>(40,347,813)</b>	<b>(13,793,329)</b>

The notes on pages 66 to 92 form part of these accounts.



## STATEMENT OF FINANCIAL POSITION

### AS AT 31 MARCH 2021

	Notes	2020-21 £	2019-20 £
<b>Non-current assets:</b>			
Property, plant and equipment	5	6,109,831	6,301,987
Intangible assets	6	32,451	42,364
<b>Total non-current assets</b>		<u>6,142,282</u>	<u>6,344,351</u>
<b>Current assets:</b>			
Trade and other receivables	7	296,485	752,684
Cash and cash equivalents	8	7,020,920	426,719
<b>Total current assets</b>		<u>7,317,405</u>	<u>1,179,403</u>
<b>Total assets</b>		<b>13,459,687</b>	<b>7,523,754</b>
<b>Current liabilities</b>			
Trade and other payables	9	(993,316)	(869,976)
Grants Payable	9	(7,179,905)	(1,851,778)
<b>Total current liabilities</b>		<u>(8,173,221)</u>	<u>(2,721,754)</u>
<b>Total assets less current liabilities</b>		<u><b>5,286,466</b></u>	<u><b>4,802,000</b></u>
<b>Non-current liabilities</b>			
Retirement benefit obligations	11	(16,326,000)	(10,403,000)
<b>Total non-current liabilities</b>		<u>(16,326,000)</u>	<u>(10,403,000)</u>
<b>Total assets less total liabilities</b>		<u><b>(11,039,534)</b></u>	<u><b>(5,601,000)</b></u>
<b>Taxpayers' equity and other reserves:</b>			
General reserve		2,891,443	2,355,719
Revaluation reserve		2,395,023	2,446,281
Pension reserve		(16,326,000)	(10,403,000)
<b>Total equity</b>		<u><b>(11,039,534)</b></u>	<u><b>(5,601,000)</b></u>

The notes on pages 66 to 92 form part of these accounts.

The financial statements on pages 62 to 65 were approved by the Board on 16 March 2022 and were signed on its behalf by:



**Antoinette McKeown**  
(Chief Executive)

## STATEMENT OF CASHFLOW

### FOR YEAR ENDING 31 MARCH 2021

	Notes	2020-21 £	2019-20 £
<b>Cash flows from operating activities</b>			
Net operating expenditure		<b>(35,332,028)</b>	<b>(10,376,785)</b>
Adjustments for non-cash transactions	3C	535,099	516,836
Decrease/(Increase) in trade and other receivables	7	456,199	(315,807)
Increase/(Decrease) in payables	9	5,451,467	(842,776)
Increase/(Decrease) in pension fund payable less actuarial losses		778,000	610,000
<b>Net cash outflow from operating activities</b>		<b>(28,111,263)</b>	<b>(10,408,532)</b>
<b>Cash flows from investing activities</b>			
Purchase of non-financial assets	5/6	(184,815)	(66,858)
Proceeds from disposal of non-financial assets		12,000	-
<b>Net cash outflow from investing activities</b>		<b>(172,815)</b>	<b>(66,858)</b>
<b>Cash flows from financing activities</b>			
Grants from sponsoring department	SCTE	34,878,279	10,740,242
<b>Net financing</b>		<b>34,878,279</b>	<b>10,740,242</b>
<b>Net decrease in cash and cash equivalents in the period</b>		6,594,201	264,852
<b>Cash and cash equivalents at the beginning of the period</b>		426,719	161,867
<b>Cash and cash equivalents at the end of the period</b>		<b>7,020,920</b>	<b>426,719</b>

The notes on pages 66 to 92 form part of these accounts.

## STATEMENT OF CHANGES IN TAXPAYERS' EQUITY AS AT 31 MARCH 2021

	General Fund £	Pension Reserve £	Revaluation Reserve £	Taxpayers' Equity £
<b>Balance at 31 March 2019</b>	<b>1,199,735</b>	<b>(6,017,000)</b>	<b>2,242,352</b>	<b>(2,574,913)</b>
Grants from Sponsoring Department	10,740,242	-	-	10,740,242
Comprehensive Net Expenditure for the Year	(9,766,785)	(610,000)	-	(10,376,785)
Actuarial Gain and Losses	-	(3,776,000)	-	(3,776,000)
Net Gain on Revaluation of Non-Current Assets	-	-	359,456	359,456
Auditors Remuneration	27,000	-	-	27,000
Other reserves movements including transfers	155,527	-	(155,527)	-
<b>Balance at 31 March 2020</b>	<b>2,355,719</b>	<b>(10,403,000)</b>	<b>2,446,281</b>	<b>(5,601,000)</b>
Grants from Sponsoring Department	34,878,279	-	-	34,878,279
Comprehensive Net Expenditure for the Year	(34,554,028)	(778,000)	-	(35,332,028)
Actuarial Gain and Losses	-	(5,145,000)	-	(5,145,000)
Net Gain on Revaluation of Non-Current Assets	-	-	129,215	129,215
Auditors Remuneration	31,000	-	-	31,000
Other reserves movements including transfers	180,473	-	(180,473)	-
<b>Balance at 31 March 2021</b>	<b>2,891,443</b>	<b>(16,326,000)</b>	<b>2,395,023</b>	<b>(11,039,534)</b>

The notes on pages 66 to 92 form part of these accounts.

## NOTES TO THE ACCOUNTS

### 1. Statement of Accounting Policies

The financial statements have been prepared in accordance with the 2020-21 Government Financial Reporting Manual (FReM) issued by Department of Finance. The accounting policies contained in the FReM apply International Financial Reporting Standards (IFRS) as adapted or interpreted for the public sector context. Where FReM permits a choice of accounting policy, the accounting policy which is judged to be most appropriate to the particular circumstances of Sport NI, for the purpose of giving a true and fair view has been selected. The particular policies adopted by Sport NI are described below. They have been applied consistently in dealing with items considered material to the accounts.

#### 1.1 Accounting Convention

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

The financial statements are stated in Sterling, which is the functional and presentational currency.

#### 1.2 Property, plant and equipment and intangible assets

Sport NI applied a capitalisation limit of £1,000 to individual items. Items below the £1,000 threshold were charged directly to the Statement of Comprehensive Net Expenditure.

#### 1.3 Depreciation

Depreciation/amortisation has been provided using the straight line method so as to write off each asset over its estimated useful life. Depreciation/amortisation is charged from the month acquired/coming into use, and not in the month in which it is disposed.

Assets are depreciated over their useful lives as follows:

Buildings	10-25 Years
Computer Equipment	2-10 Years
Furniture and Fittings	2-10 Years
Specialist Sports Equipment	7-10 Years
Motor Vehicles	4-10 Years
Intangible Assets – Computer Equipment	2-10 Years

An impairment review is carried out annually, any loss in value which exceeds the credit in the revaluation reserve is then charged to the Statement of Comprehensive Net Expenditure.

## **1.4 Intangible assets**

Expenditure on intangible assets is recognised when Sport NI controls the asset; is probable that future economic benefits attributable to the asset will flow to Sport NI; and the cost of the asset can be reliably measured. Purchased software and licenses lasting for more than one year are capitalised as intangible assets where expenditure of £1,000 or more is incurred.

Intangible assets are revalued annually using appropriate indices compiled by the Office for National Statistics. Any surplus/loss on revaluation is treated as follows:

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

Amortisation is calculated on a straight line basis over the shorter of the term of the licence and the useful economic life. Intangible assets are reviewed annually for impairment.

## **1.5 Revaluation of non-current assets**

Non-current assets included in the Statement of Financial Position are reviewed annually to ensure that they are stated at fair value. This is carried out through applying indices. Increases in valuations are credited to the Revaluation Reserve. Downward movements are accounted through the revaluation reserve to the extent that there is a credit in that reserve that relates to the revalued asset.

Tollymore National Outdoor Centre is formally valued by Land and Property Services every 5 years, supplemented by annual desktop valuations. The last full valuation was undertaken at 31 March 2020.

## **1.6 Operating Income**

### Government Grants

Grant-in-Aid received used to finance activities and expenditure which support the statutory and other objectives of the entity are treated as financing, and credited to the General Reserve, because they are regarded as contributions from a controlling party which gives rise to a financial interest in the residual interest of NDPBs.

### Lottery Recharges

Administrative overheads and salaries are apportioned to the Lottery Distribution fund and comprise administrative costs and salaries incurred by Sport NI from which the Lottery benefited indirectly. The apportionment is made at full economic cost and calculated on appropriate bases. Recharges of expenses and salaries are shown in other income.

### **Other Operating Income**

All other operating income received is credited to income in the year in which it is receivable. Fees and charges for services provided by Sport NI are determined in accordance with HM Treasury's "Fees and Charges Guide".

### **1.7 Leases**

#### Finance Leases:

Leases where substantially all of the risks and rewards are held by the lessee are classified as financing leases. Sport NI does not hold any finance leases.

#### Operating Leases:

Leases where substantially all of the risks and rewards are held by the lessor are classified as operating leases. Rentals paid under operating leases are charged to the Statement of Comprehensive Net Expenditure on a straight line basis over the period of the lease. Operating lease payments in year, along with all future commitments, are disclosed in Note 12.

### **1.8 Financial Instruments**

Sport NI is not exposed to the same degree of financial risk faced by business entities. This is due to the organisation being essentially a non-trading entity and financed as a Non-Departmental Public Body. It has no powers to borrow or invest in surplus funds and has limited year-end flexibility. It is therefore exposed to little liquidity, currency or market risks. Sport NI does not hold any complex financial instruments and there is no impact on the financial risk of the organisation.

#### **1.8.1 Financial Assets**

##### **Trade and other receivables**

Trade and other receivables mainly arise from regular users of services at the House of Sport and Tollymore National Outdoor Centre. Bad debt provision is assessed annually. Receivables do not carry any interest and are recognised at their recoverable amount, which equates to their fair value.

##### **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.

## **1.8.2 Financial Liabilities**

### **Trade and other payables**

Trade payables represent liabilities for goods and services provided to Sport NI prior to the end of the reporting period, which are unpaid. Purchase orders are not included as trade payables. Payables are not interest-bearing and are recognised at their nominal value, which equates to their fair value.

### **Grant Payables**

Grant payables relate to any amounts of unpaid grant at 31 March where the underlying activity took place no later than 31 March and have been included in the Statement of Comprehensive Net Expenditure.

## **1.9 Payment of Grants**

Sport NI pays grants in accordance with the terms and conditions inherent in the respective funding agreement. Grants awarded to organisations and individuals are charged to the Statement of Comprehensive Net Expenditure in the year in which the underlying activity giving entitlement to the grant occurs. Any amounts of unpaid grant at 31 March each year are included as liabilities in the Statement of Financial Position.

## **1.10 Provisions**

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

## **1.11 Contingent liabilities**

In addition to contingent liabilities disclosed in accordance with IAS 37, Sport NI discloses for Assembly reporting and accountability purposes certain statutory and non-statutory contingent liabilities where the likelihood of a transfer of economic benefit is remote, but which have been reported to the Assembly in accordance with the requirements of Managing Public Money Northern Ireland.

Where the time value of money is material, contingent liabilities which are required to be disclosed under IAS 37 are stated at discounted amounts and the amount reported to the Assembly separately noted. Contingent liabilities that are not required to be disclosed by IAS 37 are stated at the amounts reported to the Assembly.

## 1.12 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 Sport NI's accounting policies. Sport NI continually evaluate 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:

- **Depreciation of property, plant and equipment**  
Depreciation is provided in the accounts so as to write down the respective assets to their residual values over their expected residual lives and as such the selection of the estimated useful lives and the expected residual values of the assets require the use of estimates and judgements. Details of the estimated useful lives are shown above in Note 1.3.
- **Impairment of property, plant and equipment**  
Where there is an indication that the carrying values of items of property, plant and equipment may have been impaired through events or changes in circumstances, a review will be undertaken of the recoverable amount of that asset.
- **Recharge to Lottery**  
Staff salaries and overhead costs (rent etc) are all incurred through sport NI Exchequer account and a proportion is recharged to Lottery on the basis of FTEs / Budgets. Staff costs are recharged based on an estimate of staff time spent between Lottery and Exchequer activities. While overhead costs are recharged based on the FTE split of work or budget split depending on the driver for the costs incurred.
- **Pensions**  
Pension valuations are based on estimates completed by a qualified actuary using assumptions agreed public sector wide. Sport NI review the actuarial assumptions each year to ensure they are reasonable. The use of a qualified expert is to ensure that the estimates are as reliable as can be.

## 1.13 Value Added Tax

Sport NI is registered for Value Added Tax (VAT) but cannot reclaim VAT on purchases. All purchase transactions are therefore stated inclusive of VAT.

## 1.14 Employee Benefits

Under IAS 19 an employing entity should recognise the undiscounted amount of short term employee benefits expected to be paid in exchange for the Service. Sport NI has recognised flexi balances and annual leave entitlements that have been earned by year end but not yet taken. These are included in current liabilities.



### **1.15 Pension Costs**

Past and present employees are covered by the provisions of the Northern Ireland Local Government Officers' Superannuation Committee (NILGOSC) Scheme.

In accordance with IAS 19 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 assumption that were reasonably possible at that date. This analysis, including details of the methods and assumptions used in preparing the sensitivity analysis, the limitation of these methods, and the reasons for any changes in methods and assumptions used in preparing the sensitivity analysis, are set out in Note 11 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 2019.

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.

The increase in the present value of the liabilities of Sport NI'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.

### **1.16 Reserves**

#### General Reserve

This is the balance arising from recurrent grants provided by the sponsor department (DfC) through grant-in-aid and the net expenditure as reported in the Statement of Comprehensive Net Expenditure for the year.

#### Revaluation Reserve

The revaluation reserve reflects the unrealised element of the cumulative balance of indexation and revaluation adjustments to assets.

#### Pension Reserve

This is the balance required by Sport NI to meet the current deficit in its share of the NILGOSC pension scheme.

### **1.17 Accounting standards, interpretations and amendments to published standards adopted in the year ended 31 March 2021**

Additional or revised accounting standards and new (or amendments to) interpretations contained within FReM 2020-21 have been considered. The adoption of these standards has not had a significant impact on Sport NI's financial position or results.

### **1.18 Accounting standards, interpretations and amendments to published standards not yet effective**

Sport NI has reviewed new accounting standards that have been issued but are not yet effective, nor adopted early for these accounts, including IFRS 16 which does not come into effect in public sector until 1 April 2022. Sport NI considers that these are unlikely to have a significant impact on the accounts in the period of initial application.

## **2. Operating Costs by Operating Segment**

In line with IFRS 8, Sport NI does not have any segmental data to disclose. The Board Members review the financial performance on a bi-monthly basis, based on similar information contained with the Statement of Comprehensive Net Expenditure of the financial statements.

**3. Operating Expenditure****3A Staff Costs**

	<b>Directly Employed £</b>	<b>Other £</b>	<b>2020-21 Total £</b>	<b>2019-20 Total £</b>
Wages and Salaries	3,181,569	-	3,181,569	3,063,838
Social Security Costs	293,389	-	293,389	291,918
Pension Costs	1,411,227	-	1,411,227	1,255,503
Agency Costs	-	866,976	866,976	1,069,893
	<b><u>4,886,185</u></b>	<b><u>866,976</u></b>	<b><u>5,753,161</u></b>	<b><u>5,681,152</u></b>

**3B Expenditure on Sports**

	<b>Grants £</b>	<b>Other Programme £</b>	<b>2020-21 Total £</b>	<b>2019-20 Total £</b>
Sporting Clubs	33,250	177,695	210,945	369,554
Sporting Communities	1,264,381	218,741	1,483,122	2,326,020
Sporting Winners	-	407,475	407,475	445,302
COVID Support	25,964,587	160,556	26,125,143	-
Capital Programme	1,463,579	105,356	1,568,935	1,801,032
	<b><u>28,725,797</u></b>	<b><u>1,069,823</u></b>	<b><u>29,795,620</u></b>	<b><u>4,941,908</u></b>

**3C Other Operating Expenditure**

	<b>2020-21</b>	<b>2019-20</b>
	<b>£</b>	<b>£</b>
Computer Software and Support	356,169	320,074
Managed Services	193,032	112,418
Rent and Rates	155,583	168,988
Publicity and Publications	120,654	49,763
Recruitment, Training and Restructure	43,600	19,620
Caretaking and Cleaning	48,027	35,593
Telephones and postage	29,312	27,909
Legal Fees	26,139	19,910
Insurance	27,066	18,970
Heat and Light	25,535	38,383
Sundry Expenses	22,161	5,564
Research	20,440	-
Repairs & Maintenance	7,218	16,312
Internal Audit	18,089	18,106
Printing & Stationery	10,609	10,227
Courses, Meetings and Seminars	10,187	143,257
Memberships and Subscriptions	8,074	7,962
Travel and Subsistence	4,483	37,917
Consultancy	1,623	2,040
Fees and Bank Charges	82	997
Losses / Bad Debt Write Off	59	-
Hospitality & Networking	-	10,279
<b>Non-Cash Items:</b>		
Auditors remuneration	31,000	27,000
Loss/(Profit) on disposal	(11,622)	2,479
Permanent Diminution	3,021	(47)
Other Operating Expenditure	<b>1,150,541</b>	<b>1,093,721</b>

**4. Income**

	<b>2020-21</b>	<b>2019-20</b>
	<b>£</b>	<b>£</b>
4A Income from goods and services		
Lottery recharges	1,616,939	1,245,001
TNOC income from services	51,295	292,947
Staff Seconded to other parties	151,440	167,512
Other service charges	56,293	96,460
	<b>1,875,967</b>	<b>1,801,920</b>
4B Other Operating Income		
EU funding	4,027	25,481
	<b>4,027</b>	<b>25,481</b>
Total Income	<b>1,879,994</b>	<b>1,827,401</b>

## 5. Property, Plant and Equipment

2020-21	Buildings & Leasehold	Specialist Sports Equipment	Furniture and Fittings	Motor Vehicles	Information Technology	Total
	£	£	£	£	£	£
<b>Cost or Valuation</b>						
At 1 April 2020	6,003,381	970,842	246,491	115,806	534,821	<b>7,871,341</b>
Additions	-	157,647	23,875	3,293	-	<b>184,815</b>
Disposals	-	(57,216)	(18,903)	-	(1)	<b>(76,120)</b>
Revaluation	(286,695)	-	-	-	-	<b>(286,695)</b>
Reclassifications and transfers	-	-	-	-	-	-
Indexation	299	(7,904)	2,180	69	51	<b>(5,305)</b>
At 31 March 2021	<b>5,716,985</b>	<b>1,063,369</b>	<b>253,643</b>	<b>119,168</b>	<b>534,871</b>	<b>7,688,036</b>
<b>Depreciation</b>						
At 1 April 2020	71,260	748,929	157,195	75,165	516,805	<b>1,569,354</b>
Charged in year	430,415	38,323	22,015	6,599	4,688	<b>502,040</b>
Disposals	-	(57,065)	(18,679)	-	2	<b>(75,742)</b>
Revaluation	(415,831)	-	-	-	-	<b>(415,831)</b>
Reclassifications and transfers	-	-	-	-	-	-
Indexation	32	(2,444)	772	24	-	<b>(1,616)</b>
At 31 March 2021	<b>85,876</b>	<b>727,743</b>	<b>161,303</b>	<b>81,788</b>	<b>521,495</b>	<b>1,578,205</b>
<b>Carrying amount at 31 March 2020</b>	<b>5,932,121</b>	<b>221,913</b>	<b>89,296</b>	<b>40,641</b>	<b>18,016</b>	<b>6,301,987</b>
<b>Carrying amount at 31 March 2021</b>	<b>5,631,109</b>	<b>335,626</b>	<b>92,340</b>	<b>37,380</b>	<b>13,376</b>	<b>6,109,831</b>
<b>Asset Financing:</b>						
Owned	-	335,626	92,340	37,380	13,376	<b>478,722</b>
Short Leasehold	5,631,109	-	-	-	-	<b>5,631,109</b>
<b>Carrying amount at 31 March 2021</b>	<b>5,631,109</b>	<b>335,626</b>	<b>92,340</b>	<b>37,380</b>	<b>13,376</b>	<b>6,109,831</b>

5A Property, Plant and Equipment continued

Sport NI Exchequer Account 2020-21

<b>2019-20</b>	<b>Buildings &amp; Leasehold</b>	<b>Specialist Sports Equipment</b>	<b>Furniture and Fittings</b>	<b>Motor Vehicles</b>	<b>Information Technology</b>	<b>Total</b>
	£	£	£	£	£	£
Cost or Valuation						
At 1 April 2019	6,037,260	945,485	239,769	115,503	847,083	<b>8,185,100</b>
Additions	-	26,970	6,288	-	-	<b>33,258</b>
Disposals	-	(4,548)	-	-	(312,262)	<b>(316,810)</b>
Revaluation	(34,295)	-	-	-	-	<b>(34,295)</b>
Reclassifications and transfers	-	-	-	-	-	-
Indexation	416	2,935	434	303	-	<b>4,087</b>
<b>At 31 March 2020</b>	<b>6,003,381</b>	<b>970,842</b>	<b>246,491</b>	<b>115,806</b>	<b>534,821</b>	<b>7,871,340</b>
Depreciation						
At 1 April 2019	56,719	716,558	131,607	64,336	822,917	<b>1,792,137</b>
Charged in year	404,449	34,565	25,434	10,700	5,363	<b>480,511</b>
Disposals	-	(2,857)	-	-	(311,475)	<b>(314,332)</b>
Revaluation	(389,964)	-	-	-	-	<b>(389,964)</b>
Reclassifications and transfers	-	-	-	-	-	-
Indexation	56	663	154	129	-	<b>1,001</b>
<b>At 31 March 2020</b>	<b>71,260</b>	<b>748,929</b>	<b>157,195</b>	<b>75,165</b>	<b>516,805</b>	<b>1,569,353</b>
<b>Carrying amount at 31 March 2019</b>	<b>5,980,541</b>	<b>228,927</b>	<b>108,162</b>	<b>51,167</b>	<b>24,166</b>	<b>6,392,963</b>
<b>Carrying amount at 31 March 2020</b>	<b>5,932,121</b>	<b>221,913</b>	<b>89,296</b>	<b>40,641</b>	<b>18,016</b>	<b>6,301,987</b>
Asset Financing:						
Owned	-	221,913	89,296	40,641	18,016	<b>369,866</b>
Short Leasehold	5,932,121	-	-	-	-	<b>5,932,121</b>
<b>Carrying amount at 31 March 2020</b>	<b>5,932,121</b>	<b>221,913</b>	<b>89,296</b>	<b>40,641</b>	<b>18,016</b>	<b>6,301,987</b>

Tollymore National Outdoor Centre (TNOC) buildings was valued at £5,430,975 (31 March 2020: £5,717,670) by Land and Property Service (LPS), an independent MRICS qualified valuer, at 31 March 2021. Sport NI requested LPS Services to value the building on the assumption that the life of the building and its useful life to Sport NI should be restricted to the term of the operating lease of the land on which the building resides.

The outbreak of the Corona virus (COVID-19), declared by the World Health Organisation as a “Global Pandemic” on 11 March 2020, has impacted global financial markets resulting in unprecedented set of circumstances on which to base a valuation judgement. Therefore, the valuation of TNOC is not reported on the basis of ‘material valuation uncertainty’ as per VPS 3 and VPGA 10 of the RICS Global Standards. The building is revalued annually.

All other buildings, property, plant and equipment were valued at 31 March 2021 through application of indices (where possible) as published by the Office for National Statistics.

The leases entered into in respect of the land at TNOC and Altnadue Quarry have been expensed to the Net Expenditure Account (see Note 12).

## 6. Intangible Assets

	2020-21 £	2019-20 £
<b>Cost or Valuation</b>		
At 1 April	94,664	115,287
Additions	-	33,600
Disposals	-	(54,984)
Indexation	954	761
<b>At 31 March</b>	<b><u>95,618</u></b>	<b><u>94,664</u></b>
<b>Depreciation</b>		
At 1 April	52,300	100,377
Charged in year	10,660	6,894
Disposals	-	(54,984)
Indexation	207	13
At 31 March	<b><u>63,167</u></b>	<b><u>52,300</u></b>
Carrying amount at 1 April	<u>42,364</u>	<u>14,910</u>
<b>Carrying amount at 31 March</b>	<b><u>32,451</u></b>	<b><u>42,364</u></b>
Asset Financing:		
Owned	<u>32,451</u>	<u>42,364</u>
<b>Carrying amount at 31 March</b>	<b><u>32,451</u></b>	<b><u>42,364</u></b>

Intangible assets comprise of purchased software and licenses.

**7. Receivables**

	<b>2020-21</b>	<b>2019-20</b>
	£	£
Amounts falling due within one year:		
Trade Receivables	25,057	30,877
Owed by Sport NI Lottery Account	182,680	533,071
Prepayments and Accrued Income	84,549	188,736
Other Debtors	4,199	-
	<u><b>296,485</b></u>	<u><b>752,684</b></u>

**8. Cash & Cash Equivalents**

The following balances were held at Commercial Banks and Cash in Hand

	<b>2020-21</b>	<b>2019-20</b>
	£	£
Balance at 1 April	426,719	161,867
Net Change in Cash and Cash Equivalent Balances	6,594,201	264,852
<b>Balance at 31 March</b>	<u><b>7,020,920</b></u>	<u><b>426,719</b></u>

In line with the Management Statement and Financial Memorandum (MSFM), cash balances accumulated during the course of the year were kept at the minimum level consistent with the efficient operation of Sport NI.

In line with the MSFM, DfC makes available in the current financial year (subject to approval by the Assembly of the relevant estimates provision) any such grant-in-aid required to meet any liabilities at year end, such as accruals.

Sport NI has no borrowings and no financing activities, relying primarily on Exchequer funding for its cash requirements.

**9. Payables**

	<b>2020-21</b>	<b>2019-20</b>
	£	£
Amounts falling due within one year:		
Trade Payables	375,482	214,412
VAT Payable	14,249	17,048
PAYE Payable	77,829	-
Accruals and Deferred Income	525,756	638,516
<b>Total Trade and Other Payables</b>	<u><b>993,316</b></u>	<u><b>869,976</b></u>
Grants Payable	7,179,905	1,851,778
<b>Total Payables</b>	<u><b>8,173,221</b></u>	<u><b>2,721,754</b></u>



## 10. Provisions

Sport NI had no provisions as at 31 March 2021 (31 March 2020: Nil).

## 11. Retirement Benefit Obligation

	<b>2020-21</b>	<b>2019-20</b>
	<b>£</b>	<b>£</b>
Pension Deficit	<u>16,326,000</u>	<u>10,403,000</u>

### Introduction

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 Sport NI and its employees to pay contributions into the Fund, calculated at a level intended to balance the pension liabilities with investment assets. For 2020-21 the contribution rates were 19.5% employers' and ranging between 5.5% and 10.5% employees' (2019-20: 20% employers' and ranging between 5.5% and 10.5% employees'). A further employers' one off deficit recovery contribution was paid directly to NILGOSC at the beginning of 2019-20, this was in line with the Funding Strategy Statement. Information on the framework for calculating contributions to be paid is set out in 'The Local Government Pension Scheme Regulations (Northern Ireland) 2014' and the Fund's Funding Strategy Statement. No such contribution was paid in 2020-21.

The last actuarial valuation was at 31 March 2019 and the contributions to be paid until 31 March 2023 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:

### 11.1 Principal Financial Assumptions (% per annum)

	<b>2020-21</b>	<b>2019-20</b>
	<b>Years</b>	<b>Years</b>
Duration of liabilities (years)*	24.3	24.3
	<b>%PA</b>	<b>%PA</b>
Discount rate	2.1	2.3
CPI Price Inflation (Pension Increase)**	2.7	1.9
Salary increases ***	4.2	3.4

\* The duration of the Fund's liabilities is the average period between the calculation date and the date at which benefit payments fall due. Durations will be calculated based on the output of the most recent valuation exercise of the Employer's funded liabilities.

\*\* Pension increases on pension in excess of Guaranteed Minimum Pension in payment where appropriate. Revaluation rate of pension accounts is set equal to the assumption for pension increases.

\*\*\* This has been set as 1.5% above the CPI inflation assumption which is consistent with the assumption used at the 2019 Valuation. A promotional salary scale is assumed to apply in addition to this.

### 11.2 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 2019 Actuarial Valuation, and allow for expected future mortality improvements. Sample life expectancies at age 65 resulting from these mortality assumptions are shown below.

#### Post retirement mortality (retirement in normal health)

<b>Males</b>	<b>31-Mar-21</b>	<b>31-Mar-20</b>
Year of Birth base table	Standard SAPS S2P tables	Standard SAPS S2P tables
Rating to above base table (years)*	0	0
Scaling to above base table rates (current pensioners)	105%	105%
Scaling to above base table rates (current non-pensioners)	110%	110%
Improvements to base table rates	CMI 2018 projections (Sk 7.5, A 0.0) with long term rate of improvement of 1.5% p.a.	CMI 2018 projections (Sk 7.5, A 0.0) with long term rate of improvement of 1.5% p.a.
Future lifetime from age 65 (aged 65 at accounting date)	21.9	21.8
Future lifetime from age 65 (aged 45 at accounting date)	23.3	23.2

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<b>Females</b>	31-Mar-21	31-Mar-20
Year of Birth base table	Standard SAPS S2P tables	Standard SAPS S2P tables
Rating to above base table (years)*	0	0
Scaling to above base table rates (current pensioners)	90%	90%
Scaling to above base table rates (current non-pensioners)	95%	95%
Improvements to base table rates	CMI 2018 projections (Sk 7.5, A 0.0) with long term rate of improvement of 1.5% p.a.	CMI 2018 projections (Sk 7.5, A 0.0) with long term rate of improvement of 1.5% p.a.
Future lifetime from age 65 (aged 65 at accounting date)	25.1	25.0
Future lifetime from age 65 (aged 45 at accounting date)	26.5	26.4

Commutation	Each member was assumed to surrender pension on retirement, such that the total cash received (including any accrued lump sum from pre-2008 service) is 75% of the permitted maximum	Each member was assumed to surrender pension on retirement, such that the total cash received (including any accrued lump sum from pre-2009 service) is 75% of the permitted maximum
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*\* A rating of x years means that members of the Fund are assumed to follow the mortality pattern of the base table for an individual x years older than them. The ratings shown apply to normal health retirements. Different rates may apply to retirement in ill health.*

### 11.3 Asset Allocation

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

	Asset split			Asset split
	at 31 March 2021 (%)			at 31 March 2020 (%)
	Quoted	Unquoted	Total	Total
Equities	46.2	0.1	46.3	42.6
Property	-	8.9	8.9	10.0
Government	23.6	-	23.6	26.1
Corporate Bonds	12.1	-	12.1	12.6
Cash	5.3	-	5.3	4.7
Other	0.7	3.1	3.8	4.0
Total	87.9	12.1	100	100

#### 11.4 Reconciliation of Funded status to Statement of Financial Position (SoFP)

Reconciliation of Funded status to Statement of Financial Position	31-Mar-21	31-Mar-20
	£000s	£000s
Fair value of assets	31,470	25,140
Present value of funded defined benefit obligation	47,796	35,543
Funded status	(16,326)	(10,403)
Unrecognised asset	-	-
<b>Asset/(Liability) recognised on the SoFP</b>	<b>(16,326)</b>	<b>(10,403)</b>

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

Active Members	46%
Deferred Pensioners	29%
Pensioners	25%

#### 11.5 Breakdown of Amounts Recognised in Statement of Comprehensive Net Expenditure (SoCNE) and Other Comprehensive Expenditure (OCE)

Amount Charged to Net Expenditure Account	31-Mar-21	31-Mar-20
	£000s	£000s
<b>Operating Cost</b>		
Current Service Cost *	1,162	1,124
Past Service Cost (including curtailments)	-	-
Settlement Cost	-	-
<b>Financing Cost</b>		
Interest on net defined benefit liability	233	142
Pension Expense Recognised in the SoCNE	1,395	1,266
<b>Re-measurements in Other Comprehensive Expenditure</b>		
Return on plan assets (in excess of)/Below that recognised in net interest	(5,578)	6,933
Actuarial losses due to change in financial assumptions	11,057	10
Actuarial (gains) due to change in demographic assumptions	-	(1,230)
Actuarial (gains)/losses due to liability experience	(334)	(1,937)
Total Amount Recognised in Other Comprehensive Expenditure	-	3,776
Total Amount Recognised	5,145	5,042

\* The current service cost includes an allowance for the administration expenses of £0.16m (31 March 2020: £0.015m).

**11.6 Movement in Deficit During the Year**

<b>Movement in Deficit During the Year</b>	<b>31-Mar-21</b>	<b>31-Mar-20</b>
	<b>£000s</b>	<b>£000s</b>
Deficit in scheme at beginning of year	(10,403)	(6,017)
<b>Movement in the year</b>		
Current service costs	(1,162)	(1,124)
Past service costs (including curtailments)	-	-
Contributions	617	656
Net charge on Assets	(233)	(142)
Actuarial (loss)/gain	(5,145)	(3,776)
<b>Deficit in Scheme at End of Year</b>	<b>(16,326)</b>	<b>(10,403)</b>

**11.7 Changes to Present Value of Defined Benefit Obligation During the Accounting Period**

	<b>31-Mar-21</b>	<b>31-Mar-20</b>
	<b>£000s</b>	<b>£000s</b>
<b>Opening defined benefit obligation</b>	35,543	37,107
Current service cost	1,162	1,124
Interest expense on defined benefit obligation	813	922
Contributions by participants	222	201
Actuarial losses due to changes in financial assumptions	11,057	10
Actuarial (gains) due to changes in demographic assumptions	-	(1,230)
Actuarial (gains)/losses due to liability experience	(334)	(1,937)
Net benefits paid out	(667)	(654)
Past service costs (including curtailments)	-	-
Net increase in liabilities from disposals/acquisitions	-	-
Settlements	-	-
Closing defined benefit obligation	47,796	35,543

**11.8 Changes to the Fair Value of Assets During the Accounting Period**

	31-Mar-21	31-Mar-20
	£000s	£000s
<b>Opening fair value of assets</b>	<b>25,140</b>	<b>31,090</b>
Interest income on assets	580	780
Re-measurement gains/(losses) on assets	5,578	(6,933)
Contributions by the employer	617	656
Contributions by participants	222	201
Net benefits paid out	(667)	(654)
Net increase in liabilities from disposals/acquisitions	-	-
Settlements	-	-
<b>Closing fair value of assets</b>	<b>31,470</b>	<b>25,140</b>

**11.9 Actual Return on Assets**

	31-Mar-21	31-Mar-20
	£000s	£000s
Interest income on assets	580	780
Re-measurement gain/(loss) on assets	5,578	(6,933)
<b>Actual return on assets</b>	<b>6,158</b>	<b>(6,153)</b>

**11.10 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 2021 and the projected services cost for the year ending 31 March 2022 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.

<b>Discount rate assumption</b>			
<b>Adjustment to discount rate</b>	+0.1 p.a.	Base Figure	-0.1 p.a.
Present value of total obligation (£M)	46,649	47,796	48,991
% change in present value of total obligation	-2.4%		2.5%
Projected service cost (£M)	1,726	1,794	1,864
Approximate % change in projected service cost	-3.8%		3.9%
<b>Rates of general increase in salaries</b>			
Adjustment to salary increase rate	+0.1 p.a.	Base Figure	-0.1 p.a.
Present value of total obligation (£M)	48,035	47,796	47,557
% change in present value of total obligation	0.5%		-0.5%
Projected service cost (£M)	1,794	1,794	1,794
Approximate % change in projected service cost	0%		0%
<b>Rate of increase to pensions in payment and deferred pensions assumption, and rate of revaluation of pension accounts assumption</b>			
Adjustment to pension increase rate	+0.1 p.a.	Base Figure	-0.1 p.a.
Present value of total obligation (£M)	48,752	47,796	46,888
% change in present value of total obligation	2.0%		-1.9%
Projected service cost (£M)	1,864	1,794	1,726
Approximate % change in projected service cost	3.9%		-3.8%
<b>Post retirement mortality assumption</b>			
Adjustment to mortality assumption *	+0.1 p.a.	Base Figure	-0.1 p.a.
Present value of total obligation (£M)	49,517	47,796	46,075
% change in present value of total obligation	3.6%		-3.6%
Projected service cost (£M)	1,868	1,794	1,722
Approximate % change in projected service cost	4.1%		-4.0%

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

### 11.11 Estimated Profit and Loss/Surplus or Deficit in Future Periods

The figures below are provided based on the assumption as at 31 March 2021 outlined above.

<b>Funded LGPS Benefits - Expected Amounts Charged to SoCNI</b>	<b>31-Mar-22</b>
	<b>£000s</b>
Current service cost *	1,794
Interest on the net defined benefit liability/(asset)	336
<b>Total</b>	<b>2,130</b>

\* The projected service cost includes an allowance for administration expenses of £0.016m and estimated payroll costs of £3.298m in the period ending 31 March 2021.



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

- (A) Actual increases in payroll being different to that used in the calculations. The difference in payroll will particularly affect the current service cost;
- (B) 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);
- (C) Curtailment/settlement events may occur;
- (D) Actual cash-flows over the next year may differ from those assumed; and
- (E) An allowance has been made for the proposed remedy for McCloud judgment which is not expected to be concluded by the time the accounts are prepared next year.

### 11.12 Funded Benefits

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

Active Members as at 31 March 2019	Number	Total Pay (£M)
Total	99	2.937

Pensioner & deferred pensioner members as at 31 March 2019	Number	Total Pension (£M)
Deferred members	130	0.436
Pensioner and dependants	58	0.47

Funded cash-flow data provided	Months Provided	Amount Provided (£M)	Amount Used (£M)
Employer - Normal contributions	11	0.566	-
Employer - Additional capital contributions			-
Employer - Early retirement strain on fund payments	11	-	-
<b>Total contributions by the Employer</b>			<b>0.617</b>
Employee - Normal contributions	11	0.203	
Employee - Added years contributions	11	-	
<b>Total contributions by Participants</b>			<b>0.222</b>
Transfers in		-	-
Other income		-	-
Transfers out		-	-
Retirement lump sums		-	-
Other outgo		-	-
Death in service lump sums *		-	-
Benefits paid (i.e. pension paid)		-	-
<b>Net benefits paid out **</b>		-	<b>0.667</b>

\* Calculated over the year to be £0.003m.

\*\* Figure includes an allowance for expenses of £0.016m.

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Annualised pensionable payroll over the accounting period	(£M)*
Period ending 31 March 2021	3.165
Period ending 31 March 2020	2.916

\* These figures have derived from the contributions paid over the relevant accounting period.

### 11.13 Fund Return

The investment return used to roll forward the notional share of assets from the last formal valuation of the fund to the accounting date has been calculated using returns provided by the Fund Administering Authority, where known. Where necessary, index returns appropriate to the mix of assets have been used for any remaining period to obtain an estimate of the total return over the period to the accounting date.

The overall annualised Fund return over the accounting period has been calculated as 24%. This includes any adjustment to reflect the difference between fund returns and estimated index returns used over the last accounting period, where appropriate. Known Fund returns were used for the period ending 31 March 2021.

## 12. Leases

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

	2020-21 £	2019-20 £
Land and Buildings		
Not later than one year	100,748	100,648
Later than one year and not later than five years	220,497	221,347
Over Five Years	19,105	59,706
Total	<u>340,350</u>	<u>381,701</u>

£153,727 (2019-20: £151,922) was included as an expense on operating leases within rent and rates in the Statement of Comprehensive Net Expenditure, of which £13,320 was recharged to the Sport NI Lottery Account (2019-20: £15,972)

The land which TNOC resides on is leased and is subject to rent reviews every five years. Sport NI also leases land for outdoor activities.

The House of Sport rental agreement with DfC is on a rolling basis, cancellable with 6 months prior notice. There are no specific rent reviews contained within the lease.

Sports Institute facilities are rented from Ulster University. The current 20 year agreement is valid until 31 December 2025.

### **13. Capital Commitments**

Sport NI had £10,000 capital commitments as at 31 March 2021 (31 March 2020: £2,000). Capital commitments relate to contractual obligations not delivered pre-31st March due to delivery delays.

### **14. Other Financial Commitments**

Sport NI had £843,624.90 of other financial commitments at 31 March 2021 (31 March 2020: £69,000).

### **15. Contingent Liabilities Disclosed Under IAS 37**

Sport NI is aware of two contingent liabilities at 31 March 2021 as follows:

One contingent liability exists as a result of ongoing industrial tribunal. Outgoing expenditure cannot be reliably estimated and has been deemed unlikely.

A second contingent liability is in respect of the Court of Appeal judgment on backdated PSNI Holiday Pay. On 17 June 2019 the Court of Appeal ruled in respect of Northern Ireland Industrial Tribunal's November 2018 decision on cases taken against the PSNI on backdated Holiday Pay. It determined that claims for holiday pay due on overtime can be taken back to 1998. The PSNI has noted it will lodge an appeal to the Supreme Court against this judgment, due to the significant repercussions for all of the Public Sector. Due to delays in relation to the Covid-19 situation, it is expected that this case will not be heard until 2022 but could result in a decision which either reduces the period of liability or confirms the full period back to 1998. This remains an extremely rare and complex case with a significant number of issues to still be resolved, including further legal advice with regards to the Judgment; the scope; timescales; outcome of the appeal and engagement with Trade Unions. The legal issues arising from this judgment and the further appeal lodged by the PSNI will need further consideration by Sport NI. The Department of Finance is leading a piece of work across the NICS, reviewing the implications for each of the major staffing groups across the public sector.

Until there is further clarity when this work has concluded, and based on the inherent uncertainties in the final decision that will be made, a reliable estimate cannot be provided at this stage.

**16. Related Parties**

Individual	Organisation	Relationship	Other Expenditure in Year	Grant Payments in Year	Grants Awarded in Year	Balance at 31 March 2021	In Kind
Adrian Doherty	Bredagh GAA	Member	-	2,000	2,000	-	1,874
	Belfast Star Basketball Club	Person Connected - Member	-	2,000	2,000	-	-
	Phoenix Basketball Club	Person Connected - Member	-	2,000	2,000	-	-
Kyle Ferguson	University of Ulster	Salaried Employee	145,151	-	-	-	-
	UUJ Soccer Club	Salaried Employee (UU) & Club Member	-	2,000	2,000	-	375
	Ulster University Tigers	Salaried Employee (UU)	-	2,000	2,000	-	375
	Sport Ireland	Research Team Member	-	5,600	3,000	-	-
	Irish FA Foundation	Educational Partnership between UU & IFA	-	2,000	2,000	-	-
	Irish Football Association	Educational Partnership between UU & IFA	-	6,555,593	6,555,593	-	1,124
John News	Cycling Ireland	Member	-	-	14,518	14,518	-
	St Peter's GAC, Lurgan	Member	-	-	-	-	1,499
George Lucas	Downshire Tennis Club	Trustee	-	-	-	-	1,499
	Lisburn Racquets	Family Member & Former Trustee	-	3,000	3,000	-	1,499
	Belfast Boat Club	Current Member	-	30,298	163,402	140,132	375
Peter McCabe	Lisnagarvey Hockey Club	Member	-	-	-	-	1,499

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Individual	Organisation	Relationship	Other Expenditure in Year	Grant Payments in Year	Grants Awarded in Year	Balance at 31 March 2020	In Kind
James Jay Colville	Royal Yachting Association (NI)	Member	-	-	-	-	375
	Dromara Cycling Club	Member	-	-	-	-	375
Antoinette McKeown	Glentoran FC	Person Connected - Manager	-	7,275	42,548	42,548	375
	Glentoran Academy	Person Connected - Manager of Glentoran FC	-	2,000	3,000	1,000	750
	Glentoran Belfast United (Ladies FC)	Person Connected - Manager of Glentoran FC	-	2,000	2,000	-	-
	Silverbridge Harps GFC	Person Connected - Vice Chair	-	-	-	-	1,499
Kieran Harding	Glentoran FC	Consultant	-	7,275	42,548	42,548	375
	Glentoran Academy	Consultant for Glentoran FC	-	2,000	3,000	1,000	750
	Glentoran Belfast United (Ladies FC)	Consultant for Glentoran FC	-	2,000	2,000	-	-
	Irish FA Foundation	Consultant for IFA	-	2,000	2,000	-	-
	Irish Football Association	Consultant	-	6,555,593	6,555,593	-	1,124
	Rosario YFC	Person Connected - Coach	-	3,000	3,000	-	1,874
	Queens Basketball Club	Person Connected - Coach	-	2,000	2,000	-	750
Richard Bullick	Education Authority	Salaried Employee (on career break)	135	-	-	-	-
	Netball NI	Board Member-Non-Executive Director	-	37,892	37,892	-	1,874
Darryl Petticrew	Belfast Star Basketball Club	Member	-	2,000	2,000	-	-

Other related parties include:

The Sport NI is a Non-Departmental Public Body sponsored by DfC. DfC is regarded as a related party and during the year the Sport NI had various material transactions with it including lease payment as referred to in Note 12 above and Grant in Aid as shown in the Statement of Changes in Taxpayers Equity.

The Sport NI's Lottery Account is also regarded as a related party to the Sport NI Exchequer Account. At 31 March 2021 £182,680 (2019-20: £533,071) was owed by the Sport NI Lottery Distribution Account to this account in respect of salary and other administrative costs incurred.

As a matter of policy and procedure, Sport NI maintains a publicly available register of interests where Council Members and staff declare any direct interest in grant applications made to Sport NI or any commercial relationships of Sport NI. In addition, Exchequer grants were paid during the year to a number of organisations in which Council Members declared an interest. Having declared an interest Council Members are required to leave the meeting while the relevant application is discussed and a decision is made.

Staff across the organisation have interests in a wide range of sporting clubs and other organisations that Sport NI may do business with. Sport NI have adequate procedures in place to ensure that staff are removed from any decision making process where they may be, or be perceived to be, conflicted.

### **17. Third Party Assets**

There are no third party assets as at 31 March 2021 (31 March 2020: Nil).

### **18. Events After the Reporting Period**

Events after the balance sheet date are those material events, both favourable and adverse, that occur between the end of the reporting period and the date when the accounts are authorised for issue. There were have been no such events.

### **Date of Authorisation for Issue**

The Accounting Officer authorised the issue of these financial statements on 23 March 2022