

**The Sports Council for Northern Ireland**  
**Annual Report and Accounts**  
**For the year ended 31<sup>st</sup> March 2008**



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For the year ended 31<sup>st</sup> March 2008**

*The Accounting Officer authorised these  
Financial statements for issue*

*on*

*26 August 2010*

*Laid before the Northern Ireland Assembly  
under Article 7(2)(c) and 8 of the Recreation and Youth Service  
(Northern Ireland) Order 1986 by the Department of Culture, Arts and Leisure*

*on*

*22 November 2010*

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## Contents

	<b>Page No.</b>
Chairman’s Foreword	2
Chief Executive’s Statement	3
Background Information	4
Management Commentary	9
Remuneration Report	31
Statement of the Council’s and Accounting Officer’s Responsibilities	35
Statement on Internal Control	36
The Certificate and Report of the Comptroller and Auditor General	43
Operating Cost Statement	46
Statement of Recognised Gains and Losses	46
Balance Sheet	47
Cash Flow Statement	48
Notes to the Accounts	49
Annex A – Accounts Direction	66

## **Chairman's Foreword**

I am delighted to introduce Sports Council's Annual Review 2007/08. Sports Council has had a thoroughly successful year and has continued its role in the development of sport in Northern Ireland.

Sport is instrumental in contributing to other government agendas; education and skills, community cohesion, social inclusion, neighbourhood renewal, Northern Ireland's image at home and abroad, and the economy. One of sport's greatest contributions is its positive impact on public health. This has been very well documented, and we know from research that children who take part in sport at a young age are more likely to continue being active throughout their lives. It is essential that Sports Council continues to promote sport and physical activity to children in the primary school sector and they are introduced to as wide a range of movement skills as possible, to ensure enjoyment and physical development at an appropriate level for each child, leaving a legacy of lifelong involvement in sport. Obesity is a huge and increasing problem for all age groups.

Unfortunately, with current lifestyle choices we are a lot less active and this is partly responsible for the rise in obesity. It is imperative that all of us who have influence to increase levels of participation should use evidence based practice from around the world to address this problem.

Sport offers direct economic benefits. It contributes to the regeneration of towns and cities, improving health, productivity and quality of life; giving a sense of civic pride. It also contributes to savings in the cost of healthcare and leads to a reduction in crime and vandalism which in turn offers local environmental benefits that can change the image of a city or a community and lead to increased inward investment.

Image is essential and hosting major events is an opportune way to showcase what we have to offer and enhances Northern Ireland's image on the world stage. 2007/08 has provided some tremendous sporting occasions such as the IRB U19 Rugby World Championship and Rally Ireland which will stand Northern Ireland in good stead for future events.

Sporting events provide an excellent platform to inspire young people to participate in sport, for talented athletes to raise their game, and instil a feeling of possibility among individuals, teams and society. Even community events can excite and encourage people and engender community spirit, giving people a focus.

Sports Council is keen to promote the message that sport and physical recreation is for everyone – no matter what age, gender or ability; the benefits of an active lifestyle should be fully embraced and enjoyed by all. Along with our partner organisations -the governing bodies of sport, district councils, the health sector, education and library boards, and local communities, we are moving forward and creating a shared future for everyone in Northern Ireland. I hope that together we can build a healthier, more active and successful sporting society.



**Dominic Walsh**  
**Chairman**  
**Sports Council for Northern Ireland**

**Date: 12 August 2010**

## **Chief Executive's Statement**

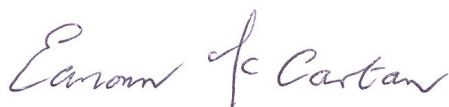
Sport can have a profound effect on peoples' lives. Whether it's our future athletes being inspired by world-class performances or school children becoming more active, sport and physical recreation has a massive impact and plays a crucial role in improving the nation's health, education and confidence.

Sports Council has been working in partnership with the Department of Culture, Arts and Leisure (DCAL) to develop a new ten year Strategy for Sport and Physical Recreation in Northern Ireland. It is an ambitious document which sets out the case for ongoing and increased investment in sport and physical recreation to deliver a range of sporting, education and health outcomes over the period 2008-2018. The vision, "a culture of lifelong enjoyment and success in sport" itself suggests what we are aiming to achieve; ensuring people have access to locally available sporting facilities, encouraging high quality participation in sport from childhood right through to adulthood, and enabling talented athletes to compete and win at the highest levels in their sports. I look forward to the Strategy being considered and approved by the Executive.

The London 2012 Olympic and Paralympic Games also offer considerable sporting opportunities for the people of Northern Ireland; opportunities for our athletes, our officials and our volunteers to be part of the Games. The Games will provide a positive benefit in terms of encouraging sport and physical activity, performance sport, boosting the active contribution of volunteers, generating business, showcasing Northern Ireland, and leaving a legacy that will benefit society long after the Olympic flame in London has been extinguished.

One of the fundamental principles of Sports Council is to increase participation in sport. Therefore the 'participation legacy' from the Games is of crucial importance. We must utilise the enthusiasm for sport that will grow in the build up to the Games, and convert it into long-term participation by both young people and adults beyond 2012. Success at international level is valued by us all and Northern Ireland has talent that is equal to anywhere else in the world. However we are working to put in place the right systems to identify our talented young people, provide them with high quality coaching, training facilities, sports science support and appropriate competition, so that they can realise their full potential and bring sporting success to Northern Ireland. Without proper investment this won't be possible and the bottom line is funding athletes and sporting excellence costs money. We know what we need to do to create a world-class performance system but we need adequate resources to act now and capitalise on the once in a lifetime opportunity the Games provide to make sport a priority for us all. With additional resources I am confident sport in Northern Ireland will prosper in many ways.

So many people work hard to make things happen in sport – coaches, volunteers, officials, teachers, athletes, and participants – and I would like to thank them all for their continued enthusiasm and dedication. Recognition must also go to the previous Board Members and Chair, Eric Saunders, for their commitment and unstinting contribution to developing sport in Northern Ireland. Increasing participation and improving performance is always going to be a team effort, and Sports Council plays a critical part. I, along with our fellow Board Members, look forward to an exciting and challenging year in sport.



**Eamonn McCartan**  
**Chief Executive and Accounting Officer**  
**Sports Council for Northern Ireland**

**Date: 12 August 2010**

## **Background Information**

### **Statutory Background**

The Sports Council for Northern Ireland (referred to as “Sports Council”) is an executive non-departmental public body sponsored by the Department of Culture, Arts and Leisure (referred to as “Department” or “DCAL”). It was established on 31 December 1973 under the provisions of the Recreation and Youth Service (Northern Ireland) Order 1973 with its main objective being the furtherance of sport and physical recreation. Its principal functions are as provided by Article 3 of the Recreation and Youth Service (Northern Ireland) Order 1986:

- On matters relating to sport and physical recreation, to advise the Department and other Government departments, Education and Library Boards, District 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:
  - In the provision of administrative services, equipment, coaching and instruction;
  - In 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 as amended by the Financial Provisions (NI) Order 1991 provides that the Department may, subject to such conditions as the Department thinks fit, make grants towards the expenses of the Sports Council.

These financial statements have been prepared on an accruals basis and show a true and fair view of the state of affairs of the Sports Council’s activities at the year end and of its operating cost statement, total recognised gains and losses 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 DCAL with the approval of the Department of Finance and Personnel. A copy of the Accounts Direction can be found at Annex A.

### **Organisation Structure**

#### ***Chief Executive***

The Chief Executive is the Accounting Officer and heads the Sports Council. He is supported by three executive directors heading each of the departments within the organisation.

#### ***The Council***

The function of the Sports Council is to:

- Advise DCAL and other government departments, education and library boards, district councils and other relevant bodies on matters relating to sport and physical recreation;
- Encourage the provision of facilities for, and participation in, sport and physical recreation;
- Assist the provision of relevant services and the organising or supporting of, or participating in, relevant events;
- Assist bodies providing relevant support services; and
- Appoint the Chief Executive by open competition, after consultation with DCAL.



The Participation, Performance and Places Committees are nominated to advise Sports Council on matters relating to the disbursement of the Lottery Fund and have power in accordance with the policies and criteria adopted by the Sports Council.

The Participation Committee is nominated to advise on policy and practice and implement Council decisions relating to the development of participation in sport in Northern Ireland. The Committee has powers in accordance with the policies and criteria adopted by the Council to:

- Provide policy advice to Council in respect of increasing participation in sport in Northern Ireland;
- Recommend to Council the allocation of funds and other resources to eligible and prioritised schemes in accordance with the agreed policies and criteria;
- Inform Council of decisions taken within agreed delegated authority limits regarding the allocation of funds and other resources to eligible and prioritised schemes in accordance with agreed policies and criteria;
- Ensure that policies and programmes provide for equality of opportunity; and
- Ensure that a strategic monitoring and evaluation process is in place.

The Performance Committee is nominated to advise on policy and practice and implement Council decisions relating to athlete and organisational performance in Northern Ireland. The Committee has powers in accordance with the policies and criteria adopted by the Council to:

- Provide policy advice to Council in respect of increasing athlete and organisational performance in sport in Northern Ireland;
- Recommend to Council the allocation of funds and other resources to eligible and prioritised schemes in accordance with the agreed policies and criteria;
- Inform Council of decisions taken within agreed delegated authority limits regarding the allocation of funds and other resources to eligible and prioritised schemes in accordance with agreed policies and criteria;
- Ensure that policies and programmes provide for equality of opportunity; and
- Ensure that a strategic monitoring and evaluation process is in place.

The Places Committee is nominated to advise on policy and practice and implement Council decisions relating to sport facilities provision in Northern Ireland. The Committee has powers in accordance with the policies and criteria adopted by the Council to:

- Provide policy advice to Council in respect of sports facilities provision in Northern Ireland;
- Recommend to Council the allocation of funds and other resources to eligible and prioritised schemes in accordance with the agreed policies and criteria;
- Inform Council of decisions taken within agreed delegated authority limits regarding the allocation of funds and other resources to eligible and prioritised schemes in accordance with agreed policies and criteria;
- Ensure that policies and programmes provide for equality of opportunity; and
- Ensure that a strategic monitoring and evaluation process is in place.

During the year DCAL appointed new members to Sports Council. They were appointed on 1 January 2008 for a term of 4 years. The members of the Participation, Performance and Places Committees are nominated by the Sports Council. The following persons served as members during the financial year 2007/08.

**Sports Council Membership Term Completed on 1 January 2008**

Professor E Saunders (Chairman)  
Mr G Carson (Vice – Chairman)  
Ms H Brady  
Dr O Brown  
Mr J Campbell  
Ms M Cusdin  
Mr J Gallagher  
Dr A Hamill  
Mr C Logue  
Mr B McCargo  
Mr H McCaughey  
Ms M Muldoon  
Dr M Murphy  
Mr J Rodgers  
Mr A Strong

**Sports Council Membership Appointed on 1 January 2008**

Mr D Walsh (Acting Chairman)  
Position Vacant (Vice- Chairman)  
Ms U Duncan  
Dr O Brown  
Mr A Moneypenny  
Mr M Cowan  
Mr B Macaulay  
Mr D O'Connor  
Ms M Muldoon  
Mr J D'Arcy  
Mr B McCargo  
Mr H McCaughey  
Mr P Turnbull  
Mr J Rodgers  
Mr A Strong

**Participation Committee Term Completed on 1 January 2008**

Dr A Hamill (Chairman)  
Dr M Murphy  
Ms H Brady  
Mr H McCaughey  
Clr J Rodgers  
Mr J Campbell  
Mr W Strong

**Participation Committee Term Appointed on 1 January 2008**

Mr B McCargo (Chairman)  
Clr J Rodgers  
Mr J D'Arcy  
Mr M Cowan  
Mrs U Duncan  
Mr A Moneypenny

**Performance Committee Term Completed on 1 January 2008**

Mr J Gallagher (Chairman)  
Mr B McCargo  
Ms M Muldoon  
Dr O Brown  
Ms M Cusdin  
Mr C Logue

**Performance Committee Term Appointed on 1 January 2008**

Mr D O'Connor (Chairman)  
Mr A Strong  
Mr B Macaulay  
Mr P Turnbull  
Dr O Brown  
Mr H McCaughey

**Places Committee Term was not in place until 1 January 2008**

N/A

**Places Committee Term Appointed on 1 January 2008**

Mr A Strong (Chairman)  
Mr B McCargo  
Mr H McCaughey  
Ms M Muldoon  
Mr M Cowan  
Mr P Turnbull

**Audit**

***External Audit***

The Sports Council for Northern Ireland Accounts are required to be audited by the Northern Ireland Audit Office. Once completed the Department of Culture, Arts and Leisure is responsible for laying the audited accounts before the Northern Ireland Assembly.

### ***Internal Audit Committee***

The members of the Audit Committee for the period were:

- Mr J Campbell;
- Dr O Brown;
- Mr J Gallagher; and
- Dr A Hamill.

### **Corporate Governance**

As a Non-Departmental Public Body established under the Recreation and Youth Service (Northern Ireland) Order 1973 whose Council members are appointed by DCAL, the Sports Council is different from a limited liability company and some aspects of the Code of Best Practice, issued by the Cadbury Committee on the Financial aspects of Corporate Governance, are not applicable. However, the Sports Council has adopted the Code of Best Practice, which has been developed by DCAL and is based on the recommendations of the Cadbury Committee.

The Sports Council complies with that Code of Best Practice in all material aspects. In line with requirement, the full annual financial statements contain a Statement on Internal Control, a culmination of the on-going assessment of risk to which the Sports Council is exposed.

### **Exchequer Funding**

The Sports Council is primarily funded by Grant in Aid from the Exchequer. The level of funding is agreed with DCAL as part of a rolling three-year Funding Agreement. The current agreement covers the three financial years up to and including 2007/08. This agreement also includes an agreed set of strategic targets.

### **Lottery Distributor and Lottery Funding**

The National Lottery etc. Act 1993 (the 1993 Act) established the National Lottery and designated five 'good causes': arts, sport, national heritage, charitable projects and projects to mark the year 2001 and the beginning of the third millennium. The National Lottery Act 1998 (the 1998 Act) which came into force in July 1998 established a sixth good cause, the New Opportunities Fund. Each of the good causes receives a percentage of the net proceeds of the Lottery paid out of the National Lottery Distribution Fund (NLDF).

The Sports Council is charged under the 1993 Act with responsibility for distributing 2.8% of the money allocated to sport. At 31 March 2008, Sports Council had £20.9m of funds available for investing in sport.

Lottery funds are accounted for separately.

### **Equality of Opportunity**

The Sports Council 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.

### **Employees with a Disability**

The Sports Council 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.

### **Employee Consultation**

On matters of policy and procedure, which affect the employees of the Sports Council, the Council 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 and Personnel.

### **The Euro**

The activities of the Sports Council are largely national. Although some exposure to transactions in Euro is likely, it is not considered that these will be significant. The financial statements are capable of dealing with the currency and procedures are being taken to ensure that all future systems are Euro compliant.

### **Personal Data Related Incidents**

There were no incidents during the year.

### **Sickness Absence Data**

The Sports Council had 2.57% or 489 days absence in 2007/08.

### **Environmental Matters**

The Sports Council is committed to making sport happen in a sustainable way. There is wide spread interest and concern in ensuring that sport and recreation are as sustainable as possible and take place with minimal adverse environmental impact. Sports Council recognises its role in sport and the community and will promote the application of best environmental practice. In October 2008 Sports Council produced an Environmental Policy which it is currently working towards implementing.

### **Payment Policy**

The Sports Council is committed to the prompt payment of bills for goods and services received in accordance with the Confederation of British Industry's Prompt Payers Code. Bills are paid within 30 days of receipt of the goods or services, or presentation of a valid invoice or similar demand, whichever is later. Calculations are based on the date on the invoice.

During the year 98% (2006/07: 96%) of bills were paid within this standard. Regular reviews aim to improve this percentage.

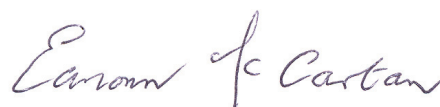
### **Political and Charitable Donations**

The Sports Council has made no political or charitable donations during the year.



**Dominic Walsh**  
**Chairman**  
**Sports Council for Northern Ireland**

**Date: 12 August 2010**



**Eamonn McCartan**  
**Chief Executive and Accounting Officer**  
**Sports Council for Northern Ireland**

**Date: 12 August 2010**

## **Management Commentary**

### **Financial Results**

The results of the Sports Council are set out in detail on page 46. The deficit in the operating cost statement for the year was £15,037,244 (2006/07: deficit of £10,671,964).

The reserves at the year end are negative £355,094 (2006/07: negative £1,305,263). This is due to the implementation of FRS 17 in 2007. FRS 17 Accounting for Retirement Benefits which requires the Sports Council to include its share of the NILGOSC pension fund deficit within Sports Council reserves.

### **Review of Activities**

#### *1.0 Participation and Facilities*

There are many benefits to be accrued from participating in sport and physical recreation, not least enabling both physical and psychological development while providing a vehicle for enjoyment and fun, but also ensuring people have access to locally available sporting facilities.

During 2007/08 Sports Council's Participation and Facilities Team has continued their efforts to support sporting opportunities to increase participation levels in sport and physical recreation among people – of all ages and abilities, and to promote lifelong physical activity. This relies on a range of developments and interventions; places for sport, coaches, governing bodies, volunteers, events, quality programmes based on best practice, and marketing and promotion. Sports Council is working on many fronts to deliver improvements across all these areas in Northern Ireland.

#### *1.1 Community Sport*

##### *1.1.1 Health*

2007/08 marked a year of renewal, revitalisation and progress in terms of Sports Council's engagement with the health sector and the contribution that sports projects make to improved public health in terms of promotion, awareness and delivery.

At a strategic level, Sports Council and the Health Promotion Agency further strengthened their commitment to joint planning, working and implementation. At the 'Active for Health' Seminar, held on 4 March 2007, an agreement was signed, 'The Northern Ireland charter for enhancing health through sport and physical activity', which tasks both bodies with the aim of promoting the significance of physical activity and sport at all levels for the good health and well-being of the population.

At an operational level, at the end of Year 2 of the 'Sport in our Community' Programme, a number of projects have reported a significant increase in Health Referral Programmes using sport and physical recreation as a primary health tool. A total of 258 participants were reported as being referred to projects by a health professional as part of a treatment programme. This represents an increase of over 200 participants from Year 1 of the programme when 54 participants were recorded.

The Old Library Trust provides a relevant example; it delivered a 'Step Up GP Referral Programme' in the TRIAX area in Derry which experiences many of the problems associated with an area of high social need including low levels of participation in sport and physical activity and poor public health. This programme is a targeted health intervention programme

aimed at people with life limiting conditions who are referred by a qualified medical practitioner to take part in this health support programme with qualified instructors. Clients undertake a twelve week one-to-one personal training and lifestyle improvement programme with a trained fitness instructor and a Wright Foundation GP Referral Instructor. Clients are supervised on cardiovascular and muscle strength endurance programmes, as well as attending weight management support programmes each tailored to suit the needs of the client. To date this programme has been extremely successful with 100 participants in Year 2.

#### *1.1.2 Women in Sport*

Larne Borough Council piloted a 'Ladies Morning' scheme in Larne Leisure Centre where the need and desire for a regular physical activity programme for women was identified. The programme has grown from a six week programme to a permanent fixture and a showcase for activity groups becoming sustainable.

The programme aims to offer group members the opportunity of high quality, guided and affordable physical activity in an environment that is welcoming to all -regardless of age, fitness and ability. The programme now has 40 female members from young mothers to the 50+ age group. Activities on offer include aerobics, badminton, swimming, and weights, as well as use of the gym and the health suite.

#### *1.1.3 Young People*

The Fit Futures Yoga Schools Programme started in November 2006 as a pilot programme in two schools focusing on primary seven children who were doing transfer tests. From the success of the initial pilot programme it is now currently being delivered in all seven primary schools in the Outer North Area; on average 300 children participate in yoga each week.

Yoga Delivers:

- Improved physical literacy and fitness including agility, strength, stamina and balance.
- Emotional balance including relaxation and a general sense of wellbeing.
- Enhanced concentration, awareness and self understanding.

When the programme was initiated the aim was to find an accessible physical activity that would improve issues of obesity and improve the well-being of all children. The programme was not initially designed to impact on the psychological well-being but evidence now suggests that yoga brings many added benefits.

#### *1.1.4 Coach Education*

Sports Council is responsible for the management and delivery of a range of generic coach education and training courses to support the development of sports coaches and volunteers. Current courses managed and delivered by Sports Council include the following:

- Active Leadership;
- Child Protection Awareness;
- Child Protection Designated Officer;
- Equality in Sport;
- Junior Club Development;
- Junior Leadership;
- Skills 4 Sport; and
- Sports Coach UK Workshops.

During 2007/08, Sports Council delivered 214 courses in communities throughout Northern Ireland, supporting the development of 2942 coaches and volunteers in an eclectic range of sports.

#### *1.1.5 Awards for All*

Awards for All is a joint Lottery awards programme set up to help small organisations in Northern Ireland. Administered by Big Lottery Fund, funding for sports projects is provided by Sports Council.

The main aim of this investment programme is to develop projects which:

- Bring people together and increase community activity;
- Involve more people in a wide range of community activities;
- Increase skill and activity;
- Improve quality of life; and
- Are well organised and planned.

Through Awards for All Sports Council seeks to support projects that aim to increase participation, or improve standards of performance in sport. During 2007/08 Sports Council invested a total of £394,500 in 69 projects.

In March 2008 the Belfast Community Sports Development Network was awarded £9,770. A partnership between Sports Council, Belfast City Council, Ulster Branch Tennis Ireland and Disability Sports NI (DSNI), the project will enable 12 people to undertake a coaching qualification that will create the potential for the newly trained coaches to deliver a 'Park Tennis' Programme.

#### *1.2 Disability Sport*

##### *1.2.1 At a Community Level*

Sports Council through its ongoing partnership with Disability Sports Northern Ireland (DSNI) continued to improve and extend the sports opportunities available to people with disabilities at all levels of sport.

Almost 2000 adults and children with disabilities participated in community events and initiatives in 12 different sports, organised in a range of locations throughout Northern Ireland. Among the many activities organised were archery, athletics, boccia, new age kurling, tennis, and wheelchair basketball.

The Lakeland Forum Leisure Centre, in Enniskillen became the first leisure centre in Northern Ireland, Scotland or Wales to achieve the prestigious 'Inclusive Fitness Initiative' accreditation Mark ('IFI'), which recognises excellence in the provision of fitness facilities which are fully inclusive of people with disabilities. The accolade marks the completion of a major series of work, largely funded by Sports Council's Lottery Fund, which has included the complete refurbishment of the fitness suite, the purchase of new accessible fitness equipment and the training of leisure centre staff.

### *1.2.2 At a Performance Level*

DSNI continued to work with Sports Council and mainstream governing bodies on the development of improved performance pathways in the six 'focus' sports of athletics, boccia, swimming, football, sailing, and wheelchair basketball. This included the organisation of annual competitions and trials involving over 250 participants with disabilities, and the organisation and support of development squads involving 60 young talented disabled athletes.

In addition, Sports Council funded five individual elite athletes with a disability during the year:

- Matthew Bell (S14 Swimmer);
- Karen Cromie (Adapted Rower);
- Jan Dinsdale (B2 Golfer);
- Janet Gray (B1 Water Skier); and
- Philip Jeffers (S10 Swimmer).

### *1.2.3 At a Coaching Level*

Sports Council continued to support DSNI's long-term work in the area of coach education and training, which is key to ensuring that volunteers, coaches and staff have the knowledge and skills required to fully include people with disabilities in sport. During the year DSNI delivered a total of 25 courses involving 373 participants:

- Games for All Sports Leadership Course – 172 participants;
- Inclusive Games Training Course – 96 participants;
- Disability Awareness Training Courses – 59 participants; and
- Including People with Disabilities in Your Club/Sport – 46 participants.

## *1.3 Countryside Recreation*

### *1.3.1 Canoe Trails*

Countryside recreation is a growing leisure activity – providing a positive opportunity for people to escape their usual daily routines, experience the outdoors and get fit. Following the successful launch of the Lough Erne Canoe trail in 2005 which was the first such trail in the British Isles, Countryside Access and Activities Network (CAAN) launched the Blackwater canoe trail in November 2007 and the Lower Bann trail in February 2008. With two further trails being developed on Lough Neagh and Strangford Lough in 2008 this will complete phase 1 of the canoe trails development.

In March the Lough Erne Canoe Trail won the 'Innovation' category at the Waterways Renaissance awards run by The Waterways Trust and the British Urban Regeneration Association. This was the first time a project from Northern Ireland has won an accolade in the Waterways Renaissance Awards.

### *1.3.2 Surf Kayaking*

One of the most adrenalin pumping, exhilarating extreme sports... the World Surf Kayaking Championships which took place in Mundaka in the North of Spain in October 2007, brought home two world champions -Kevin Quinn took the Grand Masters HP World Champion title, and Chris Hobson the Junior HP World Champion title. In the junior team event, the Juniors Long Final, Chris Hobson took the gold medal, Corin King the silver, and Alan Knox the bronze. The Northern Ireland squad finished an incredible second overall.



### *1.3.3 Slalom Kayaking*

Hannah Craig, Northern Ireland's top slalom kayaker, achieved a tremendous result at the first competition of the World Series at the Australian Open in February 2007 placing an incredible fourth overall.

### *1.3.4 Mountaineering*

The Mountaineering Council of Ireland has been instrumental in developing a new rock climbing club based in Fermanagh called the 'Hanging Rockers' club; the club is growing from strength to strength with now over 100 members in just over a year.

## *1.4 Tollymore Mountain Centre*

### *1.4.1 Living the Adventure*

Tollymore Mountain Centre (TMC), Sports Council's National Outdoor Training Centre, has continued to provide a wide range of introductory, skills and leadership training and assessment courses in mountaineering and canoesport, as well as a wide range of multi-activity and team development programmes for organisations.

In 2007/08, TMC provided over 5000 student days on a range of courses, including 1015 on leadership courses and 1252 on skills courses. TMC continues to influence and be involved in the development of a range of governing body qualifications in mountaineering and canoesport, and plays a key role in the development and introduction of UK Coaching Certificate canoesport qualifications and a Climbing Wall Award scheme.

With a significant budget of £4 million TMC's exciting redevelopment of the centre is progressing; in 2007 the design team led by WHS Project Management developed the initial design proposals and it is envisaged that a construction team will be appointed later in 2008, with work due to commence in early 2009.

The anticipated new centre will be a state of the art outdoor training centre with the ability to provide an extensive range of courses to a wider range of groups and individuals from throughout Northern Ireland.

## *1.5 Building Sport*

'Building Sport', a capital programme from Sports Council's Lottery Fund, aims to provide partnership funding for major capital projects that will increase access to opportunities for sporting development and participation for as many people as possible; particularly in disadvantaged communities to enable older people, people with disabilities, ethnic minorities and other underrepresented groups to participate in sporting activities.

Each unique project addresses essential sporting criteria:

- Increasing participation in sport;
- Being sustainable;
- Addressing the factors of social need;
- Tackling social exclusion;
- Promoting equality of opportunity and good community relations;
- Promoting sporting excellence;
- Addressing health inequalities; and
- Providing the structures for long-term athlete development.

This investment by Sports Council's Lottery Fund is a major contribution in tackling social injustice and inequalities. The programme demonstrates the ability of sport to heal divided communities, improve health and well-being, and lift those most disadvantaged out of the poverty of aspiration. The following case studies illustrate the benefits resulting from this type of Sports Council investment...

#### *1.5.1 New Facilities a Knock Out*

Boxing is perhaps the most challenging sport of all. A boxer requires a unique blend of speed, strength, and endurance; but to help develop the talent of young emerging boxers the proper facilities are necessary.

Boxing also received a major boost with the completion of refurbished facilities at one of the longest serving clubs within County Antrim, Ligoniel Amateur Boxing Club. The scheme saw the renovation of the ground floor of the boxing gymnasium. The completion of this work now means that Ligoniel Boxing Club can provide members with a state of the art, modern and safe environment to compete and train in. The club can now continue with their comprehensive coaching structure and, in turn, increase standards of performance.

#### *1.5.2 A Unique Gliding Experience*

Sport is an excellent vehicle for the social development of people with disabilities; providing opportunities to be active, to interact with others, and boost self-esteem.

In June 2007, the Ulster Gliding Club, the only gliding facility in Northern Ireland, introduced a new two-seat training glider fitted with special hand controls making it suitable for flying by the able-bodied and by those with disabilities of the lower limbs.

The inclusion of hand controls and support equipment will provide full equality of access to flying training for wheelchair users for the first time in Northern Ireland.

Funding for the new glider was provided by Sports Council's Lottery Fund and the Enkalon Foundation.

#### *1.6 Stadia Safety*

The Stadia Safety Programme aims to assist the owners of major soccer, rugby and GAA grounds, on a strategic basis, to ensure the safety and comfort of spectators attending fixtures played at their venues. The strategic objectives of the programme are to:

1. Improve health and safety compliance with existing and proposed legislation;
2. Increase spectator numbers and to increase the number of under-represented groups attending matches;
3. Improve the comfort of spectator accommodation within venues;
4. Improve co-operation between owners of venues and both the Police Service Northern Ireland and Statutory agencies.

During 2007/08 Sports Council worked with a number of applicants at various stages in the programme (see Table 1 on the following page).

Governing Body	Applicant	Stadia
Gaelic Athletic Association (GAA)	Antrim County Board Armagh County Board Derry County Board Down County Board Fermanagh County Board Tyrone County Board	Casement Park Athletic Grounds Celtic Park Paire Esler Brewster Park Healy Park
Irish Football Association (IFA)	Ballymena United Cliftonville Football (Club) Crusaders FC Donegal Celtic FC Glenavon FC Institute FC Newry City FC Portadown FC	The Showgrounds Solitude Seaview Suffolk Road Mourneview Park Drumahoe The Showgrounds Shamrock Park
Irish Rugby Football Union (IRFU)	Ulster Branch	Ravenhill Rugby Ground

*1.6.1 Ballymena United Football Club (The Showgrounds, Ballymena)*

Sports Council awarded Ballymena United Football Club £161,636 (65%) of a total project cost of £248,100 at The Showgrounds, Ballymena.

This project included the provision of:

- A new crowd control point with the provision of two floodlights to the Slemish Drive car park;
- Automated doors for the new stand and fencing to provide aid to spectator segregation and safety; and
- Toilet facilities and a television broadcast facility at the Warden Street stand.

*1.6.2 Down County Board (Paire Esler, Newry)*

Sports Council awarded Down County Board £800,000 (67%) of a total project cost of £1,140,000 at Paire Esler, Newry.

This project included the provision of:

- An additional 2,700 seats on the south stand with a cantilevered roof along with male, female and disabled toilets in the undercroft;
- A new crowd control point, erected in a new building at the back of the east terrace, with CCTV provision and radio links to stewards plus a PA system for communicating with the spectators;
- Fourteen new computerised turnstiles which have been installed at the entrance to the south stand and at the entrance to the west stand;
- New safety and information signage at all exit routes and toilet facilities within the ground and the broken fencing on the south boundary was replaced; and
- An access lift for disabled people and a viewing platform for seven disabled people and their carers have been incorporated within the south stand. In addition, two bays of seating have been designated as a family area for women and young children.

### *1.7 Elite Facilities Programme*

The London 2012 Games offer considerable sporting opportunities for Northern Ireland, particularly in relation to ensuring a legacy that will benefit the public of Northern Ireland beyond 2012.

Specifically, through the Games, there is an opportunity to develop Northern Ireland's sporting infrastructure, achieve parallel development and address a lack of investment which has restricted the progress of sport in the region. The Sports Council Elite Facilities Programme was launched to create an opportunity to address some of the infrastructure deficit which has contributed to the underdevelopment of sports in Northern Ireland, regenerate urban and rural areas, and improve the image of Northern Ireland.

The first project in the Elite Facilities Programme, Northern Ireland's first Olympic sized swimming pool, was approved to the preferred bidder status; North Down Borough Council won the status after rigorous examination in an open competition. Subject to business case approvals the bid will see the pool built as part of a new £40 million leisure and aquatics centre at Valentine's Playing Fields in Bangor. The facilities to be developed will include a 10 lane 50m pool, a 5m diving pool, strength and conditioning suites for swimmers, and headquarter facilities for Swim Ulster.

As well as meeting the needs of elite swimmers the new centre will provide a range of leisure opportunities for the wider local community with the facilities planning to include leisure water, a health and fitness suite, sports hall, climbing wall and floodlit synthetic grass courts. The project will go a long way towards addressing Northern Ireland's need for world-class sporting facilities and will deliver a sporting infrastructure previously unavailable in Northern Ireland. As a regional centre of excellence, it will be a state of the art facility to be enjoyed by all the people of Northern Ireland.

### *1.8 Facilities*

#### *1.8.1 Pre-Games Training Venues Announced in Northern Ireland*

Sports Council assisted the London Organising Committee for the Olympic Games in assessing venues in Northern Ireland, and the rest of the UK, for use as Pre-Games Training Camps for the London 2012 Games. In early 2008 a massive 27 venues in Northern Ireland were chosen to be included in the Pre-Games Training Camp Guide. The Guide will list over 600 high-quality sports facilities across the UK, which are capable of hosting visiting teams or individual athletes wishing to take part in the 2012 Games.

The Guide will be circulated to all National Olympic Committees and National Paralympic Committees. These organisations will then decide where they base themselves or where to send individual athletes to prepare and acclimatise for London 2012.

#### *1.8.2 Capital Policy and Technical Best Practice Guidance*

During 2007/08 Sports Council worked with governmental departments and developed a number of documents to ensure capital policy and technical best practice in relation to the design and technical requirements of all sports facilities:

- Policy and capital procedures to ensure compliance with best practice in the areas of the Office of Government Commerce Gateway and Milestone Review, European Union Procurement and Achieving Excellence in Construction.
- Preparation of a disability design guide and statement for Sports Council to harmonise with DSNI and Northern Ireland Access Committee Initiatives.
- Liaison and ongoing development of working relationship with the Department of Finance and Personnel Northern Ireland and the Central Procurement Directorate to

ensure that all Sports Council programmes are harmonised with central government construction best practice.

### *1.8.3 Design Input into Healy Park*

Sports Council's financial and technical support to Tyrone County Board and their consultants ensured that the Healy Park project achieved an appropriate level of design quality to provide a functional, durable and economically sustainable facility that meets best practice guidelines.

The control tower comprises a retail unit and associated facilities, modern media centre and control room. The control room is home to the event controller, safety officer and emergency services staff and provides a panoramic view of the entire playing area, terraces and stand. Safety is a major feature incorporated into the design by Teague and Sally - a bank of monitors linked to a newly installed CCTV system provides full coverage of all areas of the stadium, while an electronically-controlled linkage to turnstiles keeps up-to-date tabs on the size of the crowd. And for a real bird's eye view of all the action, camera crews can take to the roof itself where specially designed locations have been included for close up filming. In addition to visual excellence, broadcasters in the media centre on level two can also control the level of external atmosphere in their reports by electronically piping the sounds from the fans directly into their transmissions.

The design team drew inspiration from a number of areas; the team travelled extensively to see some of the top sports' stadia in the UK and Ireland, and were keen to take an imaginative and innovative approach. The finished product has been achieved through a combination of creative design and practical thinking; there is no doubt it has now become a blueprint for others to emulate throughout the UK and Ireland.

## *2.0 Performance Sport*

Sports Council is committed to developing a world-class sporting system in Northern Ireland, enabling athletes and teams to maximise their sporting potential and reach their optimum level of performance.

During 2007/08 Sports Council's Performance Sport Team has continued to work to bring about an environment that will enable athletes to improve athletic performance.

### *2.1 Sports Institute Northern Ireland (SINI)*

#### *2.1.1 Providing Aspiring Athletes with a Springboard to Success*

Based at the University of Ulster, Jordanstown Campus, SINI continues to prove itself to be a successful partnership between Sports Council and the University.

The completion of the University of Ulster's world-class sports facilities, home to SINI, ensures that institute athletes have access to top-class facilities and expert staff. Sports benefiting from SINI include: athletics, Gaelic football, hockey, rugby, and individual athletes from the sports of; bowls, cricket, cycling, judo, rowing, sailing, squash, swimming, triathlon, and water skiing.

In particular SINI worked with 2007/08 Olympic and Paralympic hopefuls including Richard Archibald, Karen Cromie, Michael McKillop and Jason Smyth.

### *2.1.2 And off the Olympic track...*

Two SINI athletes were fast-tracked to full professional contracts with Ulster Rugby – Niall O’Connor and Mark McCrea. O’Connor was also called into the Irish Senior Training Panel ahead of the Six Nations match against Scotland.

During 2007/08 Sports Council integrated the work of SINI within its Performance Sport Unit to develop a single Performance Team Northern Ireland. The vision being... “the best in the business in Northern Ireland at improving athletic performance resulting in consistent winning performances...”

## *2.2 Governing Body Investment*

### *2.2.1 Striving Towards Improving Athletes’ Performance Levels*

Sports Council acknowledges that governing bodies play a major role in the development of athletes. Investment of over £1,500,000 from Sports Council in 2007/08 enabled governing bodies to work towards putting the appropriate systems and structures in place to improve performance levels of the athletes.

### *2.2.2 Staffing*

Investment was primarily focused on new postholders in the sports who will lead the development of new ways of working to drive up performance standards. These posts include: Business Development Managers, Performance Managers, Performance Coaches, Talent Identification Officers, Participation, Club and Coaching Development Officers and administrative staff.

One such post is that of former Irish International and Derbyshire County Cricketer Ryan Eagleson; he was appointed Cricket Development Officer for the Northern Ireland Cricket Association (NICA) in 2006. During the two years Ryan has been in post he has developed cricket at grass roots level through a multi-skills programme in primary schools and coached under age provincial teams, while also providing guidance on best practice. In addition to this he co-ordinates and manages the NICA cricket academy, ensuring that there is a steady stream of local talent representing Ireland.

### *2.2.3 Developing a Competent Sporting Workforce*

Sports Council focuses on the strategic development of coaching through governing bodies, assisting with developing mechanisms to support sports using the UK Coaching Certificate or National Coaching and Development Programme Coaching Framework.

Governing bodies have reported that during 2007/08, Sports Council investment has enabled a total of 11,100 people to attend coach development and leadership courses at a range of levels.

### *2.2.4 Modern, Fit For Purpose Organisations*

Modernisation of governing bodies continued in 2007/08. Advice and support was provided to governing bodies to improve their capacity in areas such as financial management, human resource management, board roles and responsibilities, and policy development.

In line with Sports Council's 'Governing Body Investment Programme' and its corporate objective of ensuring governing bodies are fit for purpose, Sports Council continued to audit governing bodies to achieve this status. A further four governing bodies of sport achieved a reasonable level of assurance during 2007/08...

1. Athletics Northern Ireland;
2. Taekwondo Association Northern Ireland;
3. Ulster Branch IRFU; AND
4. Ulster Council GAA.

<b>Assurance Level</b>	<b>Number</b>
Reasonable	6
Limited	22
Nil	2

#### 2.2.5 *Child Protection*

Sports Council continues to work with governing bodies to ensure they are providing a safe and secure sporting environment for children, young people and vulnerable adults.

In 2007/08, the National Society for the Prevention of Cruelty to Children (NSPCC) audited Northern Ireland governing bodies in line with the new child protection audit process, "Getting It Right: Standards of Good Practice for Child Protection", to assess how they are managing this vital area. Two governing bodies achieved a full level of child protection assurance, 10 reasonable, 19 limited and one nil.

Governing bodies will continue to work with the NSPCC to improve on their level of assurance.

#### 2.3 *Talent Identification and Development*

##### 2.3.1 *Detecting the Best in Sport*

Sports Council's talent identification and development work focuses on creating and developing partnerships in order to introduce and implement policies, programmes and practices that will improve the way in which young talented sports performers in Northern Ireland are identified, selected and developed.

The work involves liaison with governing bodies, SINI and other relevant organisations such as Area Partnerships and Local Authorities.

##### 2.3.2 *A Talent Identification and Development Health Check*

The development of clear systems and structures within governing bodies for the identification, confirmation and development of talent is critical to the success of performance sport in Northern Ireland. The implementation of effective strategies to identify, confirm and develop talent is essential in the creation of a sustainable pathway which increases the quality and quantity of talent.

In order to develop and refine existing systems in Northern Ireland, Sports Council conducted a detailed audit of 21 sports examining the talent identification systems and structures which currently exist within their respective sports.

In particular the audits focused on how talented performers are identified, current talent pools and talent development pathways, frequency of benchmark testing, attrition rates, competition structures/framework, sports science/medicine support, number of world class exposures, coach education structures, and talent transfer.

By completing the audits Sports Council is attempting to raise awareness, challenge and encourage critical thinking and to assist governing bodies develop their understanding of the area of talent identification and development.

### *2.3.3 Skills Festivals*

During the year Sports Council piloted three projects with the North East, South East and Southern Area Development Partnerships focusing on swimming and racquet sports. Aimed at participants in the 9-14 age range who demonstrate talent in terms of multi-skills, the skills festivals provided a 'sampling' environment for participants before specialising in a specific sport.

### *2.3.4 Talent Orientation Camp*

Sports Council hosted its first ever Talent Orientation Camp at the University of Ulster in August 2006. Twenty of Northern Ireland's most talented young athletes in six sports; badminton, boxing, cycling, Judo, sailing and squash, discovered the diverse elements needed to reach the top.

The camp provided a unique opportunity for the athletes to receive an insight into the world of high performance sport, and to critically reflect upon their own talent, ability and potential to succeed at the very highest level. The athletes were challenged to think and behave like an elite performer throughout the Camp, and to then integrate this thinking into their future sporting career.

The programme was delivered by staff from Sports Council, SINI, and the specific governing bodies involved. One of the highlights of the Camp was the elite athletes, Paddy Brown and Bridget McKeever (hockey), Neil Sinclair (boxing) and Tommy Evans and Heather Wilson (cycling), who were on hand to share their experiences of elite sport.

## *2.4 Performer Development Centres*

### *2.4.1 Nurturing Budding Young Talent*

During 2007/08, Sports Council embarked upon the establishment of a network of Performer Development Centres across Northern Ireland. The aim of these centres is to refine and improve current talent development systems and structures by bridging the gap between governing body performance programmes and the work of SINI.

Performer Development Centres will afford Northern Ireland's most talented young athletes with a support structure which nurtures and supports emerging talent. These centres will focus on training and delivering sports science and sport medicine services to athletes with the potential to compete successfully in international competition.

Sports Council continues to fine-tune the detail of the Performer Development Centre concept with two pilot centres being developed initially, and further centres developing in association with the Elite Facilities Programme.



## 2.5 *Youth Games – A Key Youth Sports Event on any Sporting Calendar*

This was the consensus from all who took part in the 2007 event. Albeit different to previous year's – each sport organised their own event and activities – Sports Council was delighted to sponsor a range of sporting events which provide an opportunity to further encourage the youth of Northern Ireland to take part in sport and inspire them to explore their sporting potential.

Over 800 young people aged between 12 and 16 competed in sports including badminton, netball, table tennis, cricket, hockey, volleyball, camogie, judo and basketball. Playing on behalf of the Education and Library Board, the Youth Games gives young people an opportunity to experience the adrenaline and expectation of taking part in a tournament of this size.

The Youth Games provide continued opportunities for talented young athletes not only to develop themselves and their sporting performances, but also to interact with children from other schools and communities and build new friendships.

## 2.6 *UK School Games*

### 2.6.1 *Providing a Benchmark for Athletes*

The second UK School Games which took place in Coventry in August 2006 were a huge success for competitors from Northern Ireland and Ireland as they picked up 32 medals.

This exciting initiative, designed to encourage more young people to take part in sport and provide them with the experience of being involved in a major multi-sport competitive event, saw 1300 competitors battling for honours at five venues across the West Midland's city, over three days of competition.

Northern Ireland provided a mixed team of boys and girls to compete in eight sports; Northern Ireland athletes won medals in swimming (15), judo (6), athletics (5), gymnastics (2), badminton (2), and fencing (2).

## 2.7 *Practitioner Development Programme*

“A Sports Council programme to improve the environment for those working at a high performance level in sport.”

During 2007/08 Sports Council, in conjunction with SINI, developed and launched its Practitioner Development Programme. The programme focuses on developing a workforce of high performance coaches, scientists and medical practitioners with the necessary experience, skills and knowledge to improve athlete performance.

A total of 13 awards were made. Funding from this programme provides practitioners with opportunities to attend major international competitions and/or conferences, enrol on a higher education course in a relevant subject area, observe athletes in a high performance environment, and/or undertake a research project relating to high performance sport.

Practitioners attended a series of workshops delivered by Sports Council in partnership with SINI. The workshops, based on a successful UK Sport model, include the development of high performance competencies essential for those working in a high performance environment; subjects include Striving for Excellence, Teamwork and Collaboration, Influencing, Understanding Others, Communication and Creative Thinking, and Innovative Solutions.

## 2.8 Athlete Support Programme

“Assisting Northern Ireland’s talented able-bodied and disabled sportspeople to improve their performance standards and achieve international sporting success.” A total of 40 awards totalling £279,478 to 22 governing bodies were made under the Athlete Support Programme in 2007/08 in support of 39 individual athletes and one squad training and competition programmes. Details of awards are outlined in Table 2.

<b>Governing Body</b>	<b>Individual/Squad</b>	<b>Targeted Competition</b>
CAAN	NI Surf Kayak Squad	2009 World Championships
Cycling Ulster	Ben Reid	2008 World Championships
Cycling Ulster	Philip Deignan	2008 Olympic Games
Cycling Ulster	Conor McConvey	2008 U23 Mountain Biking World Championships
DSNI	Philip Jeffers	2010 IPC World Championships
DSNI	Matthew Bell	2009 INAS – FID World Championships for PWLD
DSNI	Jan Dinsdale	2008 Canadian Open
Gymnastics Northern Ireland	Luke Robert Carson	2008 European Senior Championships
Irish Water Ski Federation NI Sub Committee	Ryan McDonald	2008 World Barefoot Championship
Motor Cycle Union of Ireland Ulster Centre	Ian Lowry	British Supersport Championship
Motor Cycle Union of Ireland Ulster Centre	Sasha Turkington	Trials Championships
Motorcycle Racing Association	Keith Farmer	2007 British Supermoto Championship
NI Ice Skating Association	Karla Quinn	2009 British Senior Championships
NI Judo Federation	Lisa Kearney	2008 Junior World Championships
NI Karate Board	James Brunton	2008 World Karate Federation Championships
NI Karting Association	William Herron	British Super 1 Junior Championship
NI Smallbore Shooting Union	Louise Aiken	2010 Commonwealth Games
NI Smallbore Shooting Union	Alan Lewis	2010 Commonwealth Games
NI Surfing Association	Fergal Smith	2008 World Surfing Games
NI Ten Pin Bowling Federation	Lynda Black-Watson	2008 Commonwealth Championships
NI Ten Pin Bowling Federation	Ryan Press	2008 Commonwealth Championships
NI Ten Pin Bowling Federation	Karen Payne	2008 Commonwealth Championships
Royal Yachting Association (NIC)	Tiffany Brien	2007 Radial Youth World Championships
Royal Yachting Association (NIC)	Russell McGovern	2008 Olympic Games
Royal Yachting Association (NIC)	Matthew McGovern	2008 Olympic Games
Royal Yachting Association (NIC)	James Espey	2008 Olympic Games
Royal Yachting Association (NIC)	Debbie Hanna	2008 Olympic Games
Royal Yachting Association (NIC)	Chris Penney	Laser Radial Youth European Championships
Royal Yachting Association (NIC)	Ryan Seaton	2008 European Laser Championships
Royal Yachting Association (NIC)	Tiffany Brien	2008 Radial Youth European Championships
Show Jumping Association of Ireland (Northern Region)	Lucy Buchanan	2008 Senior Nations Cup

Governing Body	Individual/Squad	Targeted Competition
Swim Ulster Ltd	Conor Leaney	2010 Commonwealth Games
Swim Ulster Ltd	Andrew Bree	2008 Olympic Games
UB Badminton Union of Ireland	Sinead Chambers	2008 Under 17 4 nations
UB Irish Amateur Rowing Union	Orlagh Duddy	2008 World Championships
UB Irish Amateur Rowing Union	Richard Archibald	2008 Olympic Games
UB Irish Table Tennis Association	Claire Nelson	Junior 6 nations
UB Irish Table Tennis Association	Paul McCreery	Junior 6 nations
Ulster Clay Pigeon Shooting Association	David Christie	2010 Commonwealth Games
Ulster Provincial Council Irish Amateur Boxing Association	Paddy Barnes	2008 Olympic Games (Aug 2008) and 2008 European Championships (Nov 2008)

Funding from the Athlete Support Programme provides support towards coaching costs, personal training and preparation costs, sports science and sports medicine support, competition costs, and personal equipment as identified in an athlete or team's training and competition programme.

32 athletes benefited from Living Costs Funding totalling £146,940. The Living Costs extension of the Athlete Support Programme aims to maximise an athlete's potential by providing funding which will enable them to train on a full-time or part-time basis.

The following case studies outline the achievements of a number of Sports Council funded athletes during 2007/08...

#### 2.8.1 *Sailing*

Tiffany Brien sailed her way to 13th place in the ISAF Junior World Championships in Canada in August 2007. While brothers Russell and Matt McGovern positioned an impressive 12th placed in the 49er European Championships in September 2007.

#### 2.8.2 *Motorcycling*

Motorcyclists, Michael Laverty and Ian Lowry finished first and second in the British Supersport Championships in September 2007. Michael Laverty took the champions Title and Ian Lowry placed second. Michael was later named the Irish Racer Motorcyclist of the Year.

#### 2.8.3 *Hockey*

Patrick Brown became Ireland's most capped international hockey player, overtaking the 149 caps held by previous Irish captain Martin Sloan.

#### 2.8.4 *Cycling*

Ben Reid and Connor McConvey rode to success in the World Mountain Biking Championships in September 2007 – Ben came 14th in the Downhill Division, and Connor who had just recently started competing in the Under 23 category came a credible 21st out of 95 cyclists.

### 2.8.5 *Swimming*

Conor Leaney won gold at the British Youth Championships. Conor claimed gold in the 16 years 100m Freestyle as well as silver in the 50m Freestyle and in both he set new Irish junior records.

### 2.8.6 *Ice Skating*

Twenty-one year old Jenna McCorkell won gold in the Belgian National Championships in November 2007, came out on top at the British Senior Championships in January 2008 for a 5<sup>th</sup> time, and later in that year moved into the top ten rankings in Europe. Karla Quinn took the British Junior Title in January 2008, becoming the first ever Northern Ireland Female Skater to take three British titles at Novice, Primary and Junior levels.

## 2.9 *Events Programme*

“A Sports Council Lottery Fund revenue programme to assist with the bidding for and running of sports events in Northern Ireland.”

A total of £34,500 was awarded to three events from the Events Programme (see Table 3).

<b>Applicant</b>	<b>Event</b>	<b>Amount (£)</b>
Northern Ireland Association of Aeromodellers	7 <sup>th</sup> World Jet Masters, July 2007	10,000
Ulster Branch Badminton Union of Ireland	Yonex Irish International Badminton Championships, December 2007.	4,500
Athletics Northern Ireland	Irish International Indoor Athletics, January 2008.	20,000
<b>TOTAL</b>		<b>34,500</b>

### 2.9.1 *Yonex Irish International Badminton Championships*

A record number of countries were represented at the Yonex Irish International Badminton Championships in December 2007, which was held at the National Badminton Centre for the sixth year in a row.

Nearly 200 players from 26 countries took part in the four day tournament, with Irish duo Chloe Magee and Karen Bing lifting the Women’s Doubles title.

### 2.9.2 *7th World Jet Masters*

Considered to be the ‘Olympics of Model Flying’, the 7th World Jet Masters held in Enniskillen in July 2007 was considered to be the biggest event of its kind so far.

Eighty-one model pilots from around 26 countries including Germany, USA, Spain and Australia took part in the event. Flying exact scale replicas of real jet aircraft and powered by miniature gas turbine engines, these pilots, at speeds in excess of 200 miles per hour, performed manoeuvres normally only seen at the world’s most prestigious air shows. The standard of the models and the skills of the pilots were at the highest level, as they strived for the ultimate title of ‘World Model Jet Champion’.

### 2.9.3 *Irish Indoor Athletics Championships*

Held at the Odyssey Arena in January 2008, the Irish Indoor Athletics Championships included no less than four Irish records, personal bests by local athletes Amy Foster and Ciara Mageean, and a victory in the 800m by James McIlroy.

City of Lisburn's Ciara Mageean continued to dominate athletes many years her senior. Fifteen year old Ciara took a massive eight seconds off her personal best and set a new Irish junior record of 4.26.52.

#### *2.9.4 Consistent Winning Performances*

The 5th biennial All Island High Performance Conference was jointly hosted by Sports Council and the Irish Sports Council. The two day event presented an opportunity for 'Sport' to come together to examine how to create an environment within which consistent winning performances at the very highest level could be achieved by all athletes.

Delegates were able to share experiences and expertise in terms of closing the knowledge gap within high performance, growing local talent, building elite facilities, and educating and training local coaches to deliver world-class athletes. The challenge underpinning all the elements of the conference was systems – the need to ensure Ireland has the right systems in place to create a world-class environment for athletes.

### *3.0 Advocates of Sport in Northern Ireland*

Hosting major events is an opportune way to showcase what Northern Ireland has to offer and enhance its image on the world stage. Sporting events, large or small, provide an excellent platform to inspire young people to participate in sport, for talented athletes to raise their game, and instil a feeling of possibility among individuals, teams and society.

#### *3.1 Rugby Mania*

Twenty-four countries, 700 young rugby enthusiasts and 250 coaches and officials were brought together for some of the biggest matches of their lives in April 2007 for the IRB U19 Rugby World Championship. The event was broadcast live in over 80 countries around the world, showcasing Northern Ireland, its rugby traditions and its people to an international audience.

Coming into the final Australia were the current holders of the trophy, however it was to be New Zealand's moment and a thoroughly impressive display as they defeated South Africa in the final at a packed Ravenhill.

This tournament proved to be a fantastic event and a huge success in every way for Northern Ireland. It has brought in over £5 million to the local economy and over 70 million television viewers from all over the world have caught wonderful glimpses of Northern Ireland looking its best.

#### *3.2 A Massive 26.2 Mile Challenge*

The 26<sup>th</sup> Belfast City Marathon was a huge success – with a record 14,300 runners taking to the streets of Belfast making the occasion the biggest mass participation sports event in the Northern Ireland sports event calendar.

Veteran Kenyan John Mutai won in two hours, 16 minutes, 22 seconds. It was the closest anyone has come to beating the 22 year old course record (2:15:51), set by Belfast's own Marty Deane back in 1985.

The ladies race was won by favourite Marashet Jima, from Ethiopia, in two hours, 41 minutes, 38 seconds.

The team relay was a close race but Habitat for Humanity succeeded in taking first place.

The wheelchair race was like a formula one contest as Paul Hannon from Keady fought wheel for wheel for the entire distance with Banbridge man Jim Corbett – but Hannon managed to get to the finish post just ahead.

### *3.3 Celebrating 25 Years of Cream of Footballing Talent*

The Milk Cup celebrated its 25th anniversary in style by attracting teams from over 50 countries around the world including Europe, the USA, Africa, the Far East, South America, the Middle East, Australia, Russia, New Zealand and Canada.

Since it began in 1983, the Milk Cup has grown into one of the most prestigious and successful soccer competitions in the world.

The competition brings together the finest of young footballing talent from as far away as Brazil and Poland to play alongside household names such as Manchester United, Liverpool and Tottenham Hotspur. It brings the excitement and challenge of competing to the young players and officials and great entertainment for the spectators.

Many famous names have graced this competition in the past with players such as Wayne Rooney, Ryan Giggs, David Beckham, Robbie Fowler and Peter Crouch all competing.

The 2007 event, once again sponsored by Sports Council, didn't disappoint; Guadalajara (Mexico) came out top in the Junior category, Fluminense triumphed in the Premier section, while Israel defeated Northern Ireland in the elite final.

### *3.4 All Revved Up*

Three days of tough racing over wet, muddy Northern Ireland roads may have taken a heavy toll on some of the world's best rally cars, but it certainly did not dampen the enthusiasm of the drivers for the event, which was held in Ireland for the first time.

Rally Ireland – round 15 of the 2007 World Rally Championship, took place in November 2007 opening with a Super Special Stage at Stormont, Northern Ireland's Parliament Buildings. The event, sponsored by Sports Council in conjunction with Failte Ireland, included eight counties, both north and south of Ireland.

Stormont may have played host to many historic events over the years, but in terms of pure visual and aural excitement few would have matched this inaugural Irish round of the World Rally Championship. Irish motor sport fans were certainly treated to an unforgettable event – more than 11,500 rally fanatics attended the sell-out event.

The stage proved an ideal 'curtain-raiser' before the fully-fledged stages being held throughout Ireland, which concluded a Special Stage at Mullaghmore, County Sligo.

### *4.0 Corporate Services*

Corporate Services are seen to be the 'backbone' of Sports Council – ensuring efficient and effective administration in sport. The Corporate Services Team provides a good working environment for the whole organisation through effective delivery of:

Financial Management; Human Resources; Information Technology; Internal Audit Procedures; Investment Assurance; Marketing; and Policy Planning and Research.

#### 4.1 *Human Resources (HR)*

##### 4.1.1 *Essentials of Training*

Whether it is for new staff induction, skills enhancement or personal development, there is a need for quality HR training programmes to be in place. Unquestionably, training is crucial to the successful operation of any organisation. Sports Council is keen to ensure the right HR practices are in place in sporting organisations; to that end award recipients from the Building Sport Programme benefited from training workshops held by HR staff from Sports Council.

During the course of 2007/08 two training workshops were held to provide knowledge and assistance with HR functions. The first workshop outlined to participants the legislative responsibilities regarding the 'recruitment and selection' process; provided them with the capability of implementing best practice guidelines; and advised them on how to be more competent in participating in their own recruitment and selection process. The second workshop highlighted issues that all groups may encounter during the course of operating their facility such as managing staff and equality.

Twenty-five applicants from Building Sports projects such as Hanwood Trust Company Ltd, Donaghmore and District Community Group and Lower Ormeau Residents Action Group attended and benefited from the vast knowledge imparted by Sports Council HR staff thus providing award recipients with the opportunity to put systems and procedures in place to improve their facility.

##### 4.1.2 *Policy, Planning and Research*

Sports Council is an organisation that is focused on promoting sport and the benefits that can be derived through sport; its aim is to make decisions that are based on evidence.

The Research Unit responds to the need to strengthen the evidence base for informed decision making in sport at all levels, and seeks to put in place a coherent framework for research and evaluation that is responsive to the research needs and priorities in the proposed Strategy as well as the wider social policy agenda.

Sports Council commissions, communicates and disseminates research projects under the following thematic areas:

- Strategic Measurement and Monitoring Participation;
- Strategic Understanding;
- Impact Evaluation;
- Economic Modelling; and
- Communicating and Disseminating Research Findings.

In 2007/08, Sports Council commissioned the following research projects, some of which were in collaboration with our key partners...

#### 1. Physical Literacy – Literature Review

This research project set out to investigate issues within the current literature concerning physical literacy including the development, implementation and measurement of children's physical development.

A full report on the findings from the literature review, entitled -‘Improving Physical Literacy’ highlighted the importance of understanding physical literacy in terms of long-term athlete development. The recommendations concluded that further research into this area would be required.

## 2. Disability Contract Review

Sports Council’s Disability Mainstreaming Policy promotes the inclusion of people with disabilities by adopting a ‘twin track’ approach, working towards a programme of mainstreaming disability provision through the inclusion spectrum.

This year Sports Council commissioned a review of the Disability Mainstreaming Contract as a means of assessing the effectiveness of services between Sports Council and Disability Sports Northern Ireland (DSNI). The study provided for an objective assessment of the implementation of Disability Mainstreaming Policy Contract with DSNI up until March 2008 and made a number of conclusions and recommendations to maximise the future success of the contract and other similar projects and activities.

## 3. Barriers to Participation in Countryside Recreation

CAAN, in collaboration with Sports Council and The Environment and Heritage Service, commissioned research to identify and examine the key factors inhibiting recreational use of the Northern Ireland countryside by all underrepresented groups such as people with a disability, people from the four biggest ethnic minorities living in Northern Ireland, and people living in areas of greatest deprivation. This research also addressed what potentially can be done to address these issues. The findings from this research are currently being used to inform future policy decisions that will allow for the integration of environmental and health policies.

## 4. Economic Importance of Sport in Northern Ireland

A report to determine the economic importance of sport in Northern Ireland was produced by Sports Council in 2007. This report outlined a number of key findings and demonstrated the importance of sport-related activity to the overall economy in Northern Ireland. Key findings showed that in 2004:

- £446 million was spent by consumers on sport-related goods and services in Northern Ireland;
- Sport-related activity added £452 million to the Northern Ireland economy, corresponding to almost 2% of total value added in the region; and
- 13,700 people were employed in sport-related employment.

It is anticipated that this research will be repeated on a biannual basis and in the next two years Sports Council will look to establish the first Sports Council Research Collaborating Centre on ‘Sport and the Economy’.

All research documents are available for download on [www.sportni.net](http://www.sportni.net)

### **Significant Changes in Fixed Assets**

The movement on fixed assets is set out in note 7 to the financial statements. The net book value of the fixed assets increased from £431,211 to £667,499 following a number of new additions to fixed assets and a depreciation charge of £213,188 for the year. The revaluation reserve is being written off over 5 years thus reducing the depreciation charge to £186,437. A number of assets were also disposed of during the year due to obsolescence.



SCNI Trust own the Tollymore Mountain Centre. The Valuation and Lands Agency carried out a revaluation of the buildings at Tollymore Mountain Centre on 1 April 2003. The net book property value at this date was £320,367. The property is now being written off over 5 years due to a re-development of the centre which will commence in January 2009.

### **Retained Funds at the Year End**

The general reserve showed a surplus of £93,355 (2006/07: £367,735) for the year.

### **Post Balance Sheet Events**

The SCNI Trust owned the Tollymore Mountain Centre during this financial year, however, in 2009 the courts granted an Order to terminate the SCNI Trust. The lease of the land has been assigned to Sports Council.

DCAL have approved Sports Council underwriting 50% of the loss which arose at the SINI. The loss of £75,041 arose due to fraudulent activity, and to date £65,036 has been recovered. The maximum amount of the liability will be £5,003. On the 23<sup>rd</sup> December 2009, DCAL gave SNI approval to write off the outstanding amount.

There have been no other significant events since the year-end that would affect these accounts.

### **Research and Development**

The Sports Council commissioned four research projects in 2007/08. These were as follows:

- Physical Literacy – Literature Review;
- Disability Contract Review;
- Barriers to Participation in Countryside Recreation; and
- Economic Importance of Sport in Northern Ireland.

The Sports Council continues to work with DCAL to ensure evaluation methodology is incorporated within the Community Sport project.

### **Future Developments**

The significant developments the Sports Council will focus on in the year 2008/09 are:

- Implementation of a new capital programme Places for Sport;
- Continued implementation of the modernisation programme for Sports Council funded governing bodies of sport;
- Continued delivery of athlete support initiative;
- Continued delivery of the governing body plan programme;
- Continued delivery of the Big Lottery funded and sport in our community programmes;
- Continued delivery of the safety in sports grounds programme;
- Progress further the new strategy for the development of sport in Northern Ireland;
- Continue with the working group established to consider the 2010 Commonwealth Games in India (India 10).

Audit

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

A handwritten signature in cursive script that reads "Eamonn McCartan".

**Eamonn McCartan**  
**Chief Executive and Accounting Officer**  
**Sports Council for Northern Ireland**

**Date: 12 August 2010**

## **Remuneration Report**

### **Remuneration Policy**

The remuneration of senior civil servants is set by the Prime Minister following independent advice from the Review Body on Senior Salaries.

The Review Body also advises the Prime Minister from time to time on the pay and pensions of Members of Parliament and their allowances; on Peers' allowances; and on the pay, pensions and allowances of Ministers and others whose pay is determined by the Ministerial and Other Salaries Act 1975.

In reaching its recommendations, the Review Body has regard to the following considerations:

- the need to recruit, retain and motivate suitably able and qualified people to exercise their different responsibilities;
- regional/local variations in labour markets and their effects on the recruitment and retention of staff;
- Government policies for improving the public services including the requirement on departments to meet the output targets for the delivery of departmental services;
- the funds available to departments as set out in the Government's departmental expenditure limits;
- the Government's inflation target.

The Review Body takes account of the evidence it receives about wider economic considerations and the affordability of its recommendations.

Further information about the work of the Review Body can be found at [www.ome.uk.com](http://www.ome.uk.com).

The remuneration of all senior civil servants is entirely performance based. Senior staff pay awards are determined by the Northern Ireland Civil Service (NICS) Remuneration Committee.

Within the Sports Council, the Chief Executive is employed on terms analogous to Senior Civil Service Grade 5, while all other executive directors are employed analogous to Grade 7.

The Sports Council Staffing Committee is responsible for approving the Chief Executive's salary and assessing his performance. Its membership is made up of the following Council Members:

<b>Staffing Committee Term Completed on 1 January 2008</b>	<b>Staffing Committee Appointed on 1 January 2008</b>
Professor E Saunders (Chairman)	Mr J Rodgers (Chairman)
Ms M Muldoon;	Mr D O'Connor
Ms H Brady; and	Ms U Duncan
Dr A Hamill.	Mr J D'Arcy

All other senior staff positions above Deputy Principal follow the NICS pay and grading spine policy. The Chief Executive assesses all Directors' performance.

### Service Contracts

Sports Council staff appointments are made in accordance with the Sport Council Recruitment and Selection Policy and Procedures, which requires appointment to be on merit on the basis of fair and open competition but also includes the circumstances when appointments may otherwise be made.

Unless otherwise stated below, the officials covered by this report hold appointments, which are open-ended until they reach the normal retiring age of 65. Policy relating to notice periods and termination payments is contained in the Sports Council Staff Handbook and individual Contracts of Employment.

Eamonn McCartan, Chief Executive was appointed in June 1994. This position is permanent within the definition above as are the executive director positions.

The notice period or compensation for early termination of a contract is 3 months for the Chief Executive and Directors.

### Remuneration and Pension Entitlements – Senior Staff (Audited Information)

The following section provides detail of the remuneration and pension interests of the Chief Executive and Directors of Sports Council.

<i>Employee</i>	2007-08		2006-07	
	Salary £'000	Benefits in kind £	Salary £'000	Benefits in kind £
Eamonn McCartan <i>Chief Executive</i>	100-105 (includes salary arrears from prior years)	154	80-85 (includes salary arrears from prior years)	154
Shaun Ogle <i>Director of Performance</i>	55-60	154	55-60	154
Nick Harkness <i>Director of Participation</i>	55-60	154	55-60	154
Andrew Sloan <i>Director of Corporate Services</i>	60-65 (includes salary arrears from prior years)	446	55-60	324

### *Sports Council Members Emoluments*

The Ex Chairman and Ex Vice-Chairman of the Sports Council received honoraria totalling £7,959 (2006/07: £10,634) and £2,625 (2006/07: £3,500) respectively in 2007/08. The newly appointed Acting Chairman received honoraria totalling £2,709. The Chairman's honorarium is not recharged to the Lottery Distribution Account. No emoluments were paid to other Sports Council members in respect of Lottery activities. The Sports Council does not pay any pension contributions on behalf of the Chairman or Vice-Chairman.

*Salary*

‘Salary’ includes gross salary; performance pay or bonuses any allowance, such as London Weighting Allowances, to the extent that it is subject to UK taxation. This report is based on payments made by the Sports Council and thus recorded in these accounts.

*Benefits in kind*

The monetary value of benefits in kind covers any benefits provided by the employer and treated by the Inland Revenue as a taxable emolument. Each individual received a benefit in kind of £154, which relates to luncheon vouchers. The Director of Corporate Services also received a benefit in kind for £292 relating to professional fees.

*Sports Council Pensions*

The Sports Council participates in the Northern Ireland Local Government Officers’ Superannuation Committee Scheme (NILGOSC) and made contributions for 91 employees. During the year 21 were employed for part of the year, and one employee went on a career break.

The NILGOSC scheme is a ‘multi-employer’, defined benefit scheme, which provides members of participating employers with the benefits related to pay and services at rates which are defined under statutory regulations. To finance these benefits, assets are accumulated in the scheme and held separately from assets of the employers. The scheme is funded by employers participating in the NILGOSC scheme who pay contributions at rates determined by an independent professionally qualified actuary on the basis of regular valuations using the projected unit method. During the year ended 31 March 2008 the Sports Council contributed 13% of pensionable salary. The scheme is contributory with members of staff paying 5-6% of pensionable salary.

Contributions for the year are disclosed in note 5 to the accounts.

<b>Employee</b>	Pensionable Earnings	Real increase in pension and related lump sum at age 60	Accrued pension at age 60 as at 31/3/08 and related lump sum	CETV at 31/3/07	CETV at 31/3/08	Real increase in CETV
	£	£	£	£	£	£
Eamonn McCartan <i>Chief Executive</i>	86,926	1,772 plus 5,315 lump sum	30,341 plus 91,023 lump sum	464,683	524,052	48,971
Shaun Ogle <i>Director of Performance</i>	58,029	1,076 plus 3,229 lump sum	16,010 plus 48,029 lump sum	203,810	232,503	23,882
Nick Harkness <i>Director of Participation</i>	58,029	1,104 plus 3,311 lump sum	17,198 plus 51,594 lump sum	199,835	228,967	22,843
Andrew Sloan <i>Director of Corporate Services</i>	59,402	870 plus 2,611 lump sum	7,230 plus 21,690 lump sum	73,567	88,990	13,099

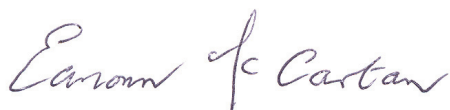
The above figures do not include salary accruals.

*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 and for which the CS Vote has received a transfer payment commensurate with the additional pension liabilities being assumed. 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 within the guidelines and framework prescribed by the Institute and Faculty of Actuaries.

*Real increase in CETV*

This reflects the increase in CETV effectively funded by the employer. It takes account of 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.



**Eamonn McCartan**  
**Chief Executive and Accounting Officer**  
**Sports Council for Northern Ireland**

**Date: 12 August 2010**

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

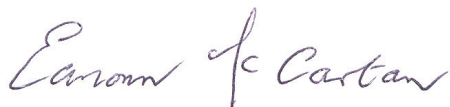
The Sports Council is required to prepare a statement of accounts for each financial year in accordance with the Recreation & Youth Service (Northern Ireland) Order 1986 and accounts direction given by DCAL and with the approval of the Department of Finance and Personnel.

The accounts are prepared on an accruals basis and must show a true and fair view of the state of affairs of the Sports Council's activities at the year-end and of its income and expenditure, total recognised gains and losses and cash flows for the financial year.

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

- observe the accounts direction issued by DCAL, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis;
- make judgments and estimates on a reasonable basis;
- state whether applicable accounting standards as set out in Government Financial Reporting Manual (FRM) have been followed, and disclose and explain any material departures in the accounts; and
- prepare the accounts on a going concern basis, unless it is inappropriate to presume that the body will continue in operation.

The Accounting Officer for DCAL has designated the Chief Executive of the Sports Council as the Accounting Officer for the Sports Council. The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which the Accounting Officer is answerable, for keeping proper records and for safeguarding the Sports Council's assets, are set out in the Non- Departmental Public Bodies' Accounting Officer Memorandum, which is issued by the Department of Finance and Personnel.



**Eamonn McCartan**  
**Chief Executive and Accounting Officer**  
**Sports Council for Northern Ireland**

**Date: 12 August 2010**

## **Statement on Internal Control**

### **Scope of Responsibility**

As Accounting Officer, I have responsibility for maintaining a sound system of internal control that supports the achievement of the Sports Council's policies, aims and objectives, whilst safeguarding the public funds and departmental assets for which I am personally responsible, in accordance with the responsibilities assigned to me in Government Accounting Northern Ireland (which was replaced by Managing Public Money in June 2008); and ensuring compliance with the requirement of Sports Council's Management Statement, Financial Memorandum and Statement of Financial Requirements.

The Sports Council's Management Statement sets out the relationship between DCAL and the Sports Council, and defines the financial and administrative framework within which the Sports Council operates. It also sets out the conditions on which grant-in-aid is paid to the Sports Council and the delegations within which the Sports Council operates.

The Sports Council's Financial Memorandum, which should be read in conjunction with the Management Statement, sets out the framework for the management and control of the finances of the Sports Council. It sets out the terms and conditions under which DCAL allocates grant-in-aid to the Sports Council out of monies provided by NI Assembly or UK Parliament. These terms and conditions are in addition to, and not in substitution for, any guidelines or directions issued by DCAL on the exercise of any individual functions, powers and duties of the Sports Council.

The Management Statement and Financial Memorandum have been approved by the Minister of Culture, Arts and Leisure, DFP and the Public Service Improvement Unit OFM/DFM.

The Sports Council also adheres to best practice as per the Lottery Financial Directions. These directions are currently incorporated within the Sports Council's Management Statement and Financial Memorandum.

I act in accordance with both the Sports Council's Management Statement and Financial Memorandum, and the DFP Memorandum, "The Responsibilities of an NDPB Accounting Officer", which sets out my accounting responsibilities. My responsibilities include ensuring that the Sports Council produces a three-year corporate plan and an annual business plan within the timescales set by DCAL. The plans are reviewed regularly by senior management and by the Sports Council to determine progress. Quarterly accountability meetings are held with officials from DCAL, to also monitor progress.

### **The Purpose of the System of Internal Control**

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives, it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the Sports Council's policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in the Sports Council for the year ended 31 March 2008 and up to the date of approval of the annual report and accounts, and accords with the Department of Finance and Personnel Guidance.



## **Capacity to Handle Risk**

The senior management team takes responsibility for applying and overseeing the application of the risk management process primarily to ensure that it is operating as intended, to challenge the content of the risk registers and enable myself to report on the process to the Sports Council. In addition to reviewing the risk framework, all recommendations received from both the internal and external auditors are reviewed, with controls being enhanced or introduced as necessary.

All staff are expected to work within the Sports Council's policies on risk management; alert management to emerging risks or control weaknesses; participate fully in the risk management process; and assume responsibility for risks and controls within their own areas of work.

During the year 2007/08, there was significant training carried out for Sports Council personnel. All staff received Fraud Awareness and Grant Funding training delivered by CIPFA. In addition, new members of staff were taken through an extensive Induction Programme which includes: employment, finance and accountability arrangements. New staff obtained training on Section 75 Equality by an external consultant, whilst existing staff were given refresher training on the same subject.

The Sports Council is currently funding a number of people to undertake courses aimed at increasing their knowledge, whilst reducing risk for the organisation. Three members of staff were being funded to undertake Accountancy Qualifications; one became fully qualified during the year. Two members of staff are being funded to undertake PhDs in the areas of Policy & Research and Marketing practices. The Human Resource Manager is being funded to complete an LLM in Employment Law whilst the Human Resource Officer is in the second year of a two-year CIPD course. Two members of staff were trained on 'Access to Information' delivered by CIPFA which covers the Freedom of Information Act.

The Human Resource Team underwent extensive training by external providers. These areas included: Employment Law updates; Employing migrant workers; Age discrimination; Handling discipline and grievances; Handling redundancies; Recruitment and Selection; Managing absence; Trade unions; Rehabilitation of offenders; Payroll training; and Inland Revenue payments including expenses. On the basis of this training the Human Resource Department commenced training Community Organisations who are Sports Council grant recipients in Recruitment & Selection, Employee Status and Section 75 to ensure they comply with the conditions of their respective awards.

During the year the Sports Council procured an Integrated Human Resource System to automate much of the paper-based systems and thereby reduce the potential risk of administrative errors. This is due to go live in 2008/09.

All new policies introduced during the year have been fully consulted on and screened for Section 75 compliance. Following an extensive audit of policies, procedures and practices within Sports Council, the organisation was awarded with the Investors in People accreditation. The Sports Council also registered with Access NI in order to comply with legislation in relation to carrying out police checks on staff working in posts that involve contact with children and vulnerable adults.

A new Council was appointed in January 2008. They received "On Board Training" by CIPFA covering their governance and accountability responsibilities. Audit Committee members will undertake additional training on their roles and responsibilities in 2008/09.

## **The Risk and Control Framework**

### **1. Risk Management Policy and Register**

The Sports Council has an established risk management policy (the Policy), which covers all the Sports Council's activities. The Policy explains the underlying approach to risk management, documents the roles and responsibilities of Sports Council, the Accounting Officer, Heads of Unit, Operations Group, staff and the Audit Committee. It also outlines key aspects of the risk management process, and identifies the main reporting procedures. In particular the Policy outlines the inextricable link between risk management and the corporate and business planning process.

The Policy is subject to regular revision as the risk management process becomes embedded throughout the Sports Council and will be updated to reflect the changing environment of the Sports Council as required. Risk reviews are a fixed agenda item on all management and team meetings.

The Sports Council has a risk register in place which identifies the key risks facing the Sports Council. These have been categorised under 9 broad headings. The risk register details management's assessment of the key risks and associated controls, and actions required to mitigate these risks. Each risk has been assessed, for its severity and for the effectiveness of the controls currently operating.

The risk register is also presented for approval to the Audit Committee and Council each year.

### **2. Investment Policy**

The Sports Council throughout the year operated its Investment Policy, which is designed to ensure the Sports Council:

- Complies with the Department for Finance and Personnel's requirements for the Sports Council, as a Non-Departmental Public Body to adhere to the Northern Ireland Preface to The Green Book (Guidance for Northern Ireland Departments on the Appraisal, Evaluation, Approval and Management of Policies, Programmes and Projects) and satisfy public accountability requirements;
- Applies the principle of proportionate effort, thus ensuring that undue burden is not placed on applicants or indeed Sports Council staff; and
- Improves the efficient and effective operation of the Sports Council activities, ensuring best practice and consistency across the organisation. The business case methodology, being used to define problems and find solutions to offer the best value for money for the Sports Council. The risk management process provides the Sports Council with an increased understanding of risks, thus improving decision-making to adapt to changes and avoid failures. The monitoring and evaluation process provides lessons to improve the decision-making process and justifies the case for increased expenditure in sport.

The three specific policies implemented throughout the Sports Council were as follows:

- The Sports Council Business Case Policy – designed to outline policy recommendations for the formal use of Business Case methodology in all Sports Council investments.
- The Sports Council Risk Management Policy – designed to outline policy recommendations for the formal framework for risk assessment and management in all Sports Council investment decisions, particularly at a programme and project level.

- The Sports Council Monitoring Policy – designed to outline policy recommendations for the formalisation of a monitoring and evaluation framework at a corporate, programme and project level.

In 2008/09 the Sports Council will continue to work via its investment policy.

### 3. Conflict of Interests

The Sports Council operates a Conflict of Interest policy. Throughout the year the Sports Council has abided by the procedures for handling potential conflicts of interest between its members and its officers and organisations submitting projects. These procedures include maintenance of a register of interests. Sports Council members or officers declaring any direct interest in grant applications exclude themselves from the assessment and decision-making process.

### 4. Fraud

The Sports Council has an approved Anti Fraud and Corruption policy. The document explains the steps that must be taken where fraud is suspected or discovered and provides guidance specifically regarding attempts at multiple application fraud with the preventative measures detailed. The Sports Council also operates a computerised database of all awards funded and applications received. Users can identify the number of applications/value of awards made to an organisation. Alerts may be placed on the system to ensure users are aware of any issues/problems particular to an organisation, before progressing further with funding.

### 5. Value for Money

The Sports Council ensures it applies value for money principles in all of its practices. This is carried out at the top level via the investment policy that intentionally covers value for money within the production of business cases for funding. The Sports Council also includes value for money during tendering exercises for the procurement of goods/services and in the sharing of administration functions with other bodies.

The Department of Culture Arts and Leisure has a service level agreement in place with Central Procurement Division, regarding the use of their services during procurement/construction exercises. The Sports Council falls within the remit of this service level agreement and has implemented it.

### 6. Inefficiency

The Sports Council avoids inefficiency through applying its investment policies and adhering to government procurement guidelines. In addition, the budgeting process and production of management accounts ensures that funds are allocated to projects which have been identified as priority areas.

The Sports Council continually reviews its organisation structure with the aim being to ensure efficiencies are made and the harmonization of procedures across the organisation.

## 7. Loss of Grant

The Sports Council has terms and conditions in place for all grant awards. These terms and conditions outline what the grant recipient must adhere to and they also incorporate a clause which enables clawback of grant paid if terms and conditions of award are not met. In addition, the Sports Council has procedures manuals in place which outline the detailed processes which a grant award must go through before monies are released. Procedures are annually reviewed by internal audit to ensure the Sports Council is adhering to them and any recommendations to further enhance controls/procedures are incorporated.

## 8. Additionality Principle

This term refers to the policy that Lottery funding should be additional to and clearly distinct from public expenditure and provision. The Sports Council ensures the additionality principle is implemented via its NLDF Policy, budget setting process and through a challenge fund process for all grant programmes which reviews such areas as financial viability, partnership funding etc.

### **Review of Effectiveness**

As Accounting Officer, I also have responsibility for reviewing the effectiveness of the system of internal control. My review of the effectiveness of the system of internal control is informed by the work of the internal auditors and the senior managers within the Sports Council 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. I have been advised on the implications of the result of my review of the effectiveness of the system of internal control by the Sports Council, the Audit Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

The Sports Council and DCAL reviews the Sports Council Management Statement with the aim to ensure it complies with DFP guidance, best practice and to ensure it remains robust.

The Sports Council continues to review its programmes and procedures in order to ensure that it meets appropriate standards, best practice and continues to work towards efficiencies. This will continue in 2008/09 via reviewing policies and procedures, training programmes and reassessing contractual agreements.

The Sports Council discharges its responsibility for reviewing the system of internal control through its Audit Committee. The Audit Committee met on 4 occasions during the year and received reports from both the Sports Council's external auditor for the year ending 31 March 2007 and its internal auditor for the year 2007/08. The Audit Committee reported back to the Sports Council following each of its meetings.

The Sports Council internal auditor produced the annual audit assurance statement which provided a satisfactory level of assurance for the year 2007/08.

A quality review of the Internal Audit function was initiated by DCAL and carried out by Business Consultancy Services in early 2008. The purpose of the review was to provide an opinion on the level of compliance by the SNI Internal Audit Function with the Government Internal Audit Standards (GIAS). The review raised a number of concerns as to the compliance of the audit function with the Standards awarding a 'partial' assurance rating. Subsequent to this review, significant work was undertaken to address the areas of non compliance. These have now been fully addressed and the Permanent Secretary informed on the actions taken by SNI.

The Sports Council has a risk register in place that is reviewed regularly by the senior management team. It is also reviewed by Audit Committee who will update Council at the same time. The last review by Audit Committee took place in February 2009.

Throughout the year I obtain assurance from senior managers, based on information and reports produced by them. I am satisfied that systems of internal control were adequate in 2007/08.

The Sports Council has a procedure in place to ensure that all losses are appropriately handled and reported to DCAL. During the year 2007/08 the following losses occurred and have been notified to DCAL and the Northern Ireland Audit Office:

<b>Description</b>	<b>Written Down Value £</b>
Theft of a Sports Council Laptop and Mobile Phone	50
Theft of Specialised Sporting Equipment	350
Tickets – Non Attendance by Recipient	16
Specialised Sports Equipment Stores Loss	1,149
<b>Total</b>	<b>1,565</b>

The Sports Council continues to review systems and controls to ensure that losses are kept to a minimum. All employees of Sports Council have been reminded of the importance of ensuring equipment is kept safe and secure at all times.

#### *Significant Internal Control Problems*

##### 1. Sports Institute Northern Ireland

In August 2006 the Sports Council undertook an audit of the Sports Institute Northern Ireland. On the basis of misinformation being provided to the Sports Council's audit team and a number of issues regarding accounting practices a member of staff within the organisation raised concerns with senior management. An investigation took place, and in September 2006 the Sports Council was formally informed by the Sports Institute Northern Ireland that a fraud had occurred.

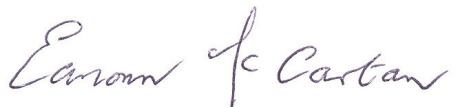
Sports Council undertook a forensic audit of the company to determine the exact value of the fraud. The fraud was calculated to be £75,041 of which £14,587 took place in the financial year 31 March 2006 and £60,454 in the financial year 31 March 2007. Of the total fraud amount £65,036 has been recovered. On the basis of legal advice obtained by the Sports Institute of Northern Ireland, Sports Council wrote to the Department of Culture Arts and Leisure Accounting Officer seeking approval to write off the outstanding amount of £10,005. On the 23<sup>rd</sup> December 2009, the Department of Culture Arts and Leisure provided approval for the write off.

##### 2. Other

Funding irregularities were identified during the 2008/09 year with a Sports Council grant funded organisation. The Department of Culture Arts and Leisure commissioned an investigation which was undertaken by DARD Central Investigation Service (CIS) who found indications of fraudulent activity, however they were of the opinion that the evidence available was not sufficient and reliable to meet the standard of proof required for a successful investigation. This was accepted by the Department of Culture Arts and Leisure.

Sports Council for Northern Ireland Exchequer Account 2007-2008

The Sports Council investigation found no evidence of fraud and all unverified payments were repaid, with no loss to the public purse. The issues surrounding the alleged irregularities occurred in prior years and the weaknesses have since been addressed. The Department of Culture Arts and Leisure approved the Sports Council report for onward submission to Northern Ireland Audit Office.

A handwritten signature in black ink, reading "Eamonn McCartan". The signature is written in a cursive style with a large initial 'E' and 'M'.

**Eamonn McCartan**  
**Chief Executive and Accounting Officer**  
**Sports Council for Northern Ireland**

**Date: 12 August 2010**

## **The Certificate of the Comptroller and Auditor General to the Northern Ireland Assembly**

I certify that I have audited the financial statements of the Sports Council for Northern Ireland for the year ended 31 March 2008 under the Recreation and Youth Service (Northern Ireland) Order 1986. These comprise the Operating Cost Statement, the Balance Sheet, the Cash Flow Statement and Statement of Recognised Gains and Losses and the related notes. These financial statements have been prepared under the accounting policies set out within them. I have also audited the information in the Remuneration Report that is described in that report as having been audited.

### **Respective Responsibilities of the Council, Accounting Officer and Auditor**

The Council and Accounting Officer are responsible for preparing the Annual Report, the Remuneration Report and the financial statements in accordance with the Recreation and Youth Service (Northern Ireland) Order 1986 and Department of Culture, Arts and Leisure directions made thereunder and for ensuring the regularity of financial transactions. These responsibilities are set out in the Statement of the Council's and Accounting Officer's Responsibilities.

My responsibility is to audit the financial statements and the part of the remuneration report to be audited in accordance with relevant legal and regulatory requirements, and with International Standards on Auditing (UK and Ireland).

I report to you my opinion as to whether the financial statements give a true and fair view and whether the financial statements and the part of the Remuneration Report to be audited have been properly prepared in accordance with the Recreation and Youth Service (Northern Ireland) Order 1986 and Department of Culture, Arts and Leisure directions made thereunder. I report to you whether, in my opinion, the information, which comprises the Background Information and the Management Commentary is consistent with the financial statements. I also report 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 them.

In addition, I report to you if the Sports Council for Northern Ireland has not kept proper accounting records, if I have not received all the information and explanations I require for my audit, or if information specified by the Department of Finance and Personnel regarding remuneration and other transactions is not disclosed.

I review whether the Statement on Internal Control reflects the Sports Council for Northern Ireland's compliance with the Department of Finance and Personnel's guidance, and I report if it does not. I am not required to consider whether this statement covers all risks and controls, or form an opinion on the effectiveness of the Sports Council for Northern Ireland's corporate governance procedures or its risk and control procedures.

I read the other information contained in the Annual Report and consider whether it is consistent with the audited financial statements. This other information comprises the unaudited part of the Remuneration Report, the Chairman's Foreword and the Chief Executive's Statement. I consider the implications for my report if I become aware of any apparent misstatements or material inconsistencies with the financial statements. My responsibilities do not extend to any other information.

## **Basis of Audit Opinion**

I conducted my audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. My audit includes examination, on a test basis, of evidence relevant to the amounts, disclosures and regularity of financial transactions included in the financial statements and the part of the Remuneration Report to be audited. It also includes an assessment of the significant estimates and judgments made by the Council and Accounting Officer in the preparation of the financial statements, and of whether the accounting policies are most appropriate to the Sports Council for Northern Ireland's circumstances, consistently applied and adequately disclosed.

I planned and performed my audit so as to obtain all the information and explanations which I considered necessary in order to provide me with sufficient evidence to give reasonable assurance that the financial statements and the part of the Remuneration Report to be audited are free from material misstatement, whether caused by fraud or error, and that 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 them. In forming my opinion I also evaluated the overall adequacy of the presentation of information in the financial statements and the part of the Remuneration Report to be audited.

## **Opinions**

In my opinion:

- the financial statements give a true and fair view, in accordance with the Recreation and Youth Service (Northern Ireland) Order 1986 and directions made thereunder by the Department of Culture, Arts and Leisure, of the state of the Sports Council for Northern Ireland's affairs as at 31 March 2008 and of its net operating costs, the cash flows and recognised gains and losses for the year then ended;
- the financial statements and the part of the Remuneration Report to be audited have been properly prepared in accordance with the Recreation and Youth Service (Northern Ireland) Order 1986 and Department of Culture, Arts and Leisure directions made thereunder; and
- information given within the Annual Report, which comprises the Chairman's Foreword, Chief Executive's Statement, Background Information, Management Commentary and the unaudited part of the Remuneration Report, is consistent with the financial statements.



**Opinion on Regularity**

In my opinion, 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 them.

A handwritten signature in black ink that reads "Kieran J Donnelly". The signature is written in a cursive style with a large 'K' and 'D'.

**K J Donnelly**  
**Comptroller and Auditor General**  
**Northern Ireland Audit Office**  
**106 University Street**  
**Belfast**  
**BT7 1EU**

**Date: 26 August 2010**

## Operating Cost Statement

### For the year ended 31 March 2008

	Notes	2008 SCNI £	2008 SINI £	2008 GROUP £	2007 SCNI £	2007 GROUP £
<b>Income</b>						
Grant from Other Activities	2	-	524,010	524,010	-	564,161
Income From Activities	3	1,307,917	715	1,308,632	1,016,985	1,037,163
Income from Lottery	3	692,233	-	692,233	589,242	589,242
Other Income	4	59,834	3,007	62,841	54,628	55,132
<b>Total Income</b>		<b>2,059,984</b>	<b>527,732</b>	<b>2,587,716</b>	<b>1,660,855</b>	<b>2,245,698</b>
<b>Expenditure</b>						
Staff Costs	5	3,066,522	363,661	3,430,183	2,500,380	2,904,322
Depreciation	8	208,764	4,424	213,188	205,879	207,320
Release of Revaluation Reserve	18	(26,751)	-	(26,751)	(26,750)	(26,750)
Grants	8	12,018,170	-	12,018,170	8,301,884	8,301,884
Other Operating Costs	8	1,797,401	166,147	1,963,548	1,349,926	1,530,886
Notional Costs	9	(9,367)	-	(9,367)	(2,072)	(2,072)
<b>Total Expenditure</b>		<b>17,054,739</b>	<b>534,232</b>	<b>17,588,971</b>	<b>12,329,247</b>	<b>12,915,590</b>
<b>Net Operating Cost Before Taxation and After Notional Costs</b>		<b>(14,994,755)</b>	<b>(6,500)</b>	<b>(15,001,255)</b>	<b>(10,668,392)</b>	<b>(10,669,892)</b>
Corporation Tax	6	(26,622)	-	(26,622)	-	-
<b>Net Operating Cost After Taxation</b>		<b>(15,021,377)</b>	<b>(6,500)</b>	<b>(15,027,877)</b>	<b>(10,668,392)</b>	<b>(10,669,892)</b>
Notional Costs	9	(9,367)	-	(9,367)	(2,072)	(2,072)
<b>Net Operating Costs After Tax and Excluding Notional Costs</b>		<b>(15,030,744)</b>	<b>(6,500)</b>	<b>(15,037,244)</b>	<b>(10,670,464)</b>	<b>(10,671,964)</b>

## Statement of Recognised Gains and Losses

### For the year ended 31 March 2008

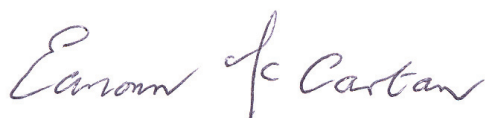
	Notes	SCNI 2008 £	GROUP 2008 £	SCNI 2007 £	GROUP 2007 £
Actuarial Gain/(Loss) and Increase in Pension Liabilities	18	1,039,000	1,137,000	(1,355,000)	(1,431,500)
<b>Total Recognised Loss for the Year</b>		<b>1,039,000</b>	<b>1,137,000</b>	<b>(1,355,000)</b>	<b>(1,431,500)</b>
Prior Year Adjustment – FRS 17	18	-	-	(300,000)	(316,000)
<b>Total Recognised Loss Since Last Annual Report</b>		<b>1,039,000</b>	<b>1,137,000</b>	<b>(1,655,000)</b>	<b>(1,747,500)</b>

*All amounts above relate to continuing activities.*

The notes on pages 49 to 65 form part of these accounts.

## Balance Sheet as at 31 March 2008

	Notes	2008 SCNI £	2008 SINI £	2008 GROUP £	2007 SCNI £	2007 GROUP £
<b>Fixed Assets</b>						
Tangible Assets	7a	582,728	37,031	619,759	405,956	417,898
Intangible Assets	7b	47,740	-	47,740	13,313	13,313
		<u>630,468</u>	<u>37,031</u>	<u>667,499</u>	<u>419,269</u>	<u>431,211</u>
<b>Current Assets</b>						
Stock	10	33	-	33	57	57
Debtors and Prepayments	11	648,103	64,250	712,353	839,501	888,465
Cash at Bank and in Hand	12	1,100,200	50,185	1,150,385	555,844	575,572
		<u>1,748,336</u>	<u>114,435</u>	<u>1,862,771</u>	<u>1,395,402</u>	<u>1,464,094</u>
<b>Creditors: Amounts Falling Due within One Year</b>	13	<u>(1,937,398)</u>	<u>(151,466)</u>	<u>(2,088,864)</u>	<u>(1,339,934)</u>	<u>(1,420,568)</u>
Net Current Assets		(189,062)	(37,031)	(226,093)	55,468	43,526
Total Assets less Current Liabilities		<u>441,406</u>	<u>-</u>	<u>441,406</u>	<u>474,737</u>	<u>474,737</u>
<b>Provisions</b>	14	<u>(794,000)</u>	<u>(2,500)</u>	<u>(796,500)</u>	<u>(1,686,000)</u>	<u>(1,780,000)</u>
<b>Total Assets less Total Liabilities</b>		<u><b>(352,594)</b></u>	<u><b>(2,500)</b></u>	<u><b>(355,094)</b></u>	<u><b>(1,211,263)</b></u>	<u><b>(1,305,263)</b></u>
<b>Financed By</b>						
Deferred Capital	17	267,800	-	267,800	-	-
<b>Reserves</b>						
General Reserve	18	93,355	-	93,355	367,735	367,735
Pension Reserve	18	(794,000)	(2,500)	(796,500)	(1,686,000)	(1,780,000)
Revaluation Reserve	18	80,251	-	80,251	107,002	107,002
		<u><b>(352,594)</b></u>	<u><b>(2,500)</b></u>	<u><b>(355,094)</b></u>	<u><b>(1,211,263)</b></u>	<u><b>(1,305,263)</b></u>



**Eamonn G McCartan**  
Chief Executive and Accounting Officer  
Sports Council for Northern Ireland

**Date: 12 August 2010**

The notes on pages 49 to 65 form part of these accounts.

## Cash Flow Statement For the Year Ended 31 March 2008

	2008 SCNI £	2008 SINI £	2008 GROUP £	2007 SCNI £	2007 GROUP £
<b>Net Cash (Outflow)/Inflow from Operating Activities</b>	<b>(13,912,843)</b>	<b>59,970</b>	<b>(13,852,873)</b>	<b>(10,610,872)</b>	<b>(10,614,108)</b>
<b>Capital Expenditure</b>					
Purchase of Fixed Assets	(419,964)	(29,513)	(449,477)	(174,127)	(184,024)
Receipts from Disposal of Fixed Assets	-	-	-	4,934	4,934
<b>Net Cash (Outflow)/Inflow before Financing</b>	<b>(14,332,807)</b>	<b>30,457</b>	<b>(14,302,350)</b>	<b>(10,780,065)</b>	<b>(10,793,198)</b>
<b>Financing</b>					
Grants from DCAL	12,792,528	-	12,792,528	10,950,421	10,950,421
Grants from DCMS	2,084,635	-	2,084,635	-	-
<b>Increase in Cash</b>	<b>544,356</b>	<b>30,457</b>	<b>574,813</b>	<b>170,356</b>	<b>157,223</b>

### Notes to the Cash Flow Statement

#### 1. Reconciliation of Movement in Funds to Net Cash (Outflow)/Inflow from Operating Activities

	2008 SCNI £	2008 SINI £	2008 GROUP £	2007 SCNI £	2007 GROUP £
Deficit for the Year	(15,021,377)	(6,500)	(15,027,877)	(10,668,392)	(10,669,892)
Depreciation	208,764	4,424	213,188	205,879	207,320
Revaluation Reserve	(26,750)	-	(26,750)	(26,750)	(26,750)
Profit on Disposal of Assets	-	-	-	(4,935)	(4,935)
Notional Cost of Capital	(9,367)	-	(9,367)	(2,072)	(2,072)
Decrease/(Increase) in Stock	24	-	24	54	54
(Increase)/Decrease in Debtors	191,398	(15,285)	176,113	(335,726)	(355,067)
Increase/(Decrease) in Creditors	597,465	70,831	668,296	190,070	204,234
Increase/(Decrease) in Pension Fund Creditor	147,000	6,500	153,500	31,000	33,000
<b>Net cash (Outflow)/Inflow from Operating Activities</b>	<b>(13,912,843)</b>	<b>59,970</b>	<b>(13,852,873)</b>	<b>(10,610,872)</b>	<b>(10,614,108)</b>

#### 2. Reconciliation of Net Cash Flow to Movement in Net Debt

	2008 SCNI £	2008 SINI £	2008 GROUP £	2007 SCNI £	2007 GROUP £
Cash in Bank and in Hand at 1 April	555,844	19,728	575,572	385,488	418,349
Net Cash Inflow	544,356	30,457	574,813	170,356	157,223
<b>Cash in Bank and in Hand at 31 March</b>	<b>1,100,200</b>	<b>50,185</b>	<b>1,150,385</b>	<b>555,844</b>	<b>575,572</b>

The notes on pages 49 to 65 form part of these accounts.

## **Notes to the Accounts**

### **For the year ended 31 March 2008**

#### **1. Accounting Policies**

##### *1.1 Basis of Accounting and Consolidation*

The financial statements have been prepared in accordance with the requirements of the 2007-2008 Government Financial Reporting Manual (FRoM) issued by HM Treasury. The accounting policies contained in the FRoM follow UK generally accepted accounting practice for companies (UK GAAP) to the extent that it is meaningful and appropriate to the public sector.

Where FRoM permits a choice of accounting policy, the accounting policy which has been judged to be most appropriate to the particular circumstances of the Sports Council, for the purpose of giving a true and fair view has been selected. The Sports Council's accounting policies have been applied consistently in dealing with items considered material in relation to the accounts.

The financial statements include the results of the following body up to the 31 March:

- Joint Venture – the Sports Institute Northern Ireland is an entity in which Sports Council holds a long term interest and which is jointly controlled by the Sports Council and the University of Ulster under a contractual agreement. It is a registered company limited by guarantee. The results of this joint venture are accounted for using the gross equity method of accounting.

##### *1.2 Basis of preparation*

These financial statements have been prepared in accordance with the historical cost convention. Without limiting the information given, the financial statements meet the accounting and disclosure requirements of the Companies (Northern Ireland) Order 1986, Accounting Standards Board and disclosure requirements issued by the Department of Finance and Personnel in so far as those requirements are appropriate.

##### *1.3 Income*

Grant-in-aid from DCAL and DCMS 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.

Capital grant-in-aid from the Department for the redevelopment of Tollymore Mountain Centre is transferred to a deferred government grant account.

Other income sources are accounted for on a receivable basis and is matched to the expenditure that it finances. This income is taken to the operating cost statement for the year to which it relates.

Fees or charges for services provided by the Council are determined in accordance with the Treasury's "Fees and Charges Guide".

A service level agreement operates between Sports Council Exchequer and Lottery. This covers corporate services provided and charged for: the figure shown as Service to lottery activities in note 3 does not include any amount for rent. No liability has been recognised for rental income due.

#### *1.4 Capital and Revenue Grants Payable*

Grants awarded to organisations and individuals are charged to the operating cost statement in the year to which they relate. Any amounts of unpaid grant at 31 March each year are included as creditors due less than one year in the balance sheet.

#### *1.5 National Lottery Costs*

The Sports Council is required to apportion between its Grant-in-Aid and National Lottery Distribution activities, the costs of services provided from its Grant-in-Aid budget that are directly and demonstrably used on Lottery functions and vice versa.

The costs so apportioned to the National Lottery Distribution activities will be paid from the Lottery Fund to the Grant-in Aid account.

#### *1.6 Research and Development*

Research and Development costs are written off as incurred and not carried forward as an asset.

#### *1.7 Fixed Assets and Depreciation*

Fixed assets are stated in the balance sheet at cost, after applying a capitalisation limit of £1,000 to individual items and pooling of items costing more than £500 and which in aggregate total more than £5,000, and after taking into account the costs incurred in bringing the assets into use but not expenditure properly chargeable to the operating costs statement. Depreciation has been provided using the straight line method so as to write off each asset, whether individual or pooled, over its estimated useful life. Depreciation is charged in full for the year in which the individual or pooled asset is acquired; no depreciation is charged in the year in which the individual or pooled asset is disposed.

Assets are depreciated over their useful lives as follows: -	<b>2008</b>	<b>2007</b>
Land & Buildings	5 Years	5 Years
Information Technology (Hardware & Software)	3 Years	3 Years
Fixtures & Fittings	5 Years	5 Years
Specialised Sports Equipment	5 Years	5 Years
Vehicles	4 Years	4 Years

An impairment review is carried out annually and any loss in value is charged to the operating cost statement. Tollymore Mountain Centre will undergo a redevelopment over the next 5 years. The current building has therefore had its depreciated life reduced to 5 years.

Rent payable under lease agreements negotiated is regularly brought up to current market rates through periodic reviews. Where no economic benefits of ownership accrue, a lease is considered to have the characteristics, not of a financial arrangement, but of the provision of a service and is not capitalised.

#### *Intangible Assets*

Intangible assets relate to the purchase of software and licences. These are included at cost and written off over a 3 year period, which is their useful economic life.

#### *1.8 Operating leases*

Operating lease rentals are charged to the operating cost statement in equal annual amounts over the lease term.

### *1.9 Notional Costs*

These financial statements make provision for the notional cost of capital employed by the Council. The operating cost statement includes the notional cost of capital employed by the Council calculated as 3.5% of the average capital employed over the financial year. Auditor's notional remuneration is also included as a notional cost. Full details of these costs are given in note 9.

### *1.10 Pension Costs*

The Sports Council staff belong to the Northern Ireland Local Government Officers' Superannuation Committee Scheme (NILGOSC).

The pension costs are assessed in accordance with the advice of independent qualified actuaries using the market led approach. The latest actuarial valuations of the scheme were at 31 March 2008.

Pension scheme assets are measured using the 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 the Sports Council's defined benefit scheme arising from employee service in the period is charged to the operating cost statement. The expected return on the scheme's assets and the increase during the year in the present value of the scheme's liabilities arising from the passage of time are included in other finance costs. Actuarial gains and losses are recognised in the Statement of Recognised Gains and Losses.

### *1.11 Value Added Tax*

The Council does not reclaim VAT on purchases.

### *1.12 Debtors*

Debtors mainly arise from regular users of services at House of Sport and Tollymore Mountain Centre. Bad debt provision is assessed annually.

### *1.13 Year End Creditors*

Year-end creditors are recognised on the following basis:

- As at close of business 31 March - goods and/or services actually received, put into stock or used.
- The purchase ledger period twelve is closed off at the year end to facilitate the timely completion of the quarterly vat return. Invoices received after period twelve is closed off are accrued at Gross cost i.e. inclusive of all VAT.
- Purchase orders are not included as Creditors.

### *1.14 Stock*

Stock is stated at the lower of cost and net realisable value. Stocks of stationery are not included in the balance sheet since such stocks are incidental and deemed not to be material to the accounts.

**2. Grant from Other Activities**

	<b>2008</b>	<b>2008</b>	<b>2007</b>	<b>2007</b>
	<b>SCNI</b>	<b>GROUP</b>	<b>SCNI</b>	<b>GROUP</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Grant – Other Sources	-	524,010	-	564,161
Total Other Grants	-	524,010	-	564,161

**3. Income from Activities**

	<b>2008</b>	<b>2008</b>	<b>2007</b>	<b>2007</b>
	<b>SCNI</b>	<b>GROUP</b>	<b>SCNI</b>	<b>GROUP</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Sports Development	72,794	73,509	32,821	52,999
Tollymore Mountain Centre	189,387	189,387	176,128	176,128
Services to Partners	1,045,736	1,045,736	808,036	808,036
Total Income from Activities	1,307,917	1,308,632	1,016,985	1,037,163
Service to Lottery Activities	692,233	692,233	589,242	589,242

**4. Other Income**

	<b>Note</b>	<b>2008</b>	<b>2008</b>	<b>2007</b>	<b>2007</b>
		<b>SCNI</b>	<b>GROUP</b>	<b>SCNI</b>	<b>GROUP</b>
		<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Bank Interest Received		27,834	27,841	14,628	14,632
Pension – Net Return on Assets		32,000	35,000	40,000	40,500
		59,834	62,841	54,628	55,132

**5. Staff Costs**

	<b>Note</b>	<b>2008</b>	<b>2008</b>	<b>2007</b>	<b>2007</b>
		<b>SCNI</b>	<b>GROUP</b>	<b>SCNI</b>	<b>GROUP</b>
		<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Gross Wages and Salaries		2,351,741	2,664,140	2,051,236	2,399,665
Social Security Costs		171,850	193,854	158,335	181,429
Other Pension Costs		273,792	292,675	213,519	243,170
Temporary Staff Costs		37,872	38,247	6,290	7,058
Early Retirement Costs		52,267	52,267	-	-
FRS 17 Pension	14	179,000	189,000	71,000	73,000
Total Restated		3,066,522	3,430,183	2,500,380	2,904,322

All the above staff costs were incurred by the Sports Council and a proportion recharged to the Lottery Distribution Account. The average number of full-time equivalent persons employed by the Sports Council and deployed on Exchequer duties was 92 (2006/07: 78 employees). The average number of temporary staff employed during the year was 1 (2006/07: 1).

The Sports Council operates a special bonus scheme (see CSC 19/89), which makes provision for payments of special bonuses to reward exceptional performance in particularly demanding tasks or situations at any time in the year. These special bonuses take the form of taxable, non-pensionable, lump sum payments. Seven awards totalling £4,750 were made in 2007/08, (2006/07: nine awards totalling £3,900).

Under terms and conditions of service, staff are entitled to an issue of luncheon vouchers to the approximate value of 70p per day. The entitlement for full time staff is 55 vouchers per quarter issued quarterly in advance. Part time staff are entitled to luncheon vouchers on a pro rata basis to the full time equivalent.



### Chief Executive's Remuneration

The Chief Executive's total remuneration including employer's costs in 2007/08 was £117,152 (2006/07: £100,946). Salary for the Chief Executive includes back pay from previous years. He is an ordinary member of the Northern Ireland Local Government Officers' Superannuation Committee scheme. The Chief Executive was appointed in June 1994 for a contract period of five years. The contract was renewed in 1998 and is termed a permanent post.

As part of the Service Level Agreement with Sports Council Exchequer the Chief Executive's time is now incorporated within the desk charge.

### Sports Council Members Emoluments

The Ex Chairman and Ex Vice-Chairman of the Sports Council received honoraria totalling £7,959 (2006/07: £10,634) and £2,625 (2006/07: £3,500) respectively in 2007/08. The newly appointed Acting Chairman received honoraria totalling £2,709. The Chairman's honorarium is not recharged to the Lottery Distribution Account. No emoluments were paid to other Sports Council members in respect of Lottery activities. The Sports Council does not pay any pension contributions on behalf of the Chairman or Vice-Chairman.

### Pension Scheme

The Sports Council (including SINI) participates in the Northern Ireland Local Government Officers' Superannuation Committee Scheme (the NILGOSC scheme). The NILGOSC scheme is part of the Local Government Pension Scheme (LGPS) and is a multi-employer, defined benefit scheme. It is contracted out of the State Second Pension. Employees' contributions are fixed (mostly at the level of 6% of pay). Employers pay the balance of the cost of the scheme. The actual cost will not be known until the final pensioner dies, and employers' contributions are set to meet the expected cost of the benefit. The employers' contributions are reviewed at a series of three yearly valuation exercises. The last formal valuation of the Fund was at 31 March 2007, with the next formal valuation due as at 31 March 2010.

In order to assess the value of the Employer's liabilities in the Fund as at 31 March 2008, the actuary rolled forward the value of the Employer's liabilities calculated as at the latest formal funding valuation, allowing for the different financial assumptions required under FRS17. The key assumptions for the roll forward valuation at 31 March 2008 are set out below. The figures marked 'real' are net of assumed price inflation.

Assumptions	31 March 2008		31 March 2007		31 March 2006	
	% p.a. Nominal	% p.a. Real	% p.a. Nominal	% p.a. Real	% p.a. Nominal	% p.a. Real
Price Increases	3.6%	-	3.2%	-	3.1%	-
Salary Increases	5.1%	1.5%	4.7%	1.5%	4.6%	1.5%
Pension Increases	3.6%	-	3.2%	-	3.1%	-
Discount Rate	6.9%	3.2%	5.4%	2.1%	6.0%	2.8%

The return on the Fund in market value terms for the year to 31 March 2008 is estimated to be (3.6%), based on actual Fund returns of 4.1% for the period 1 April 2007 to 31 December 2007 and index returns thereafter.

Assets (Employer)	31 March 2008			31 March 2007			31 March 2006		
	Long Term Return % p.a.	SCNI Assets £(000)	Group Assets £(000)	Long Term Return % p.a.	SCNI Assets £(000)	Group Assets £(000)	Long Term Return % p.a.	SCNI Assets £(000)	Group Assets £(000)
Equities	7.7%	5,785	6,187	7.8%	5,349	5,692	7.4%	5,200	5,457
Bonds	5.7%	850	886	4.9%	1,001	1,065	4.6%	800	838
Property	5.7%	596	634	5.8%	730	777	5.5%	500	524
Cash	4.8%	113	122	4.9%	81	86	4.6%	100	104
<b>Total</b>	<b>7.3%</b>	<b>7,344</b>	<b>7,829</b>	<b>7.2%</b>	<b>7,162</b>	<b>7,620</b>	<b>6.9%</b>	<b>6,600</b>	<b>6,923</b>

Net Pension Asset as at	31 March 2008 £(000)		31 March 2007 £(000)		31 March 2006 £(000)	
	SCNI Assets	Group Assets	SCNI Assets	Group Assets	SCNI Assets	Group Assets
Estimated Employer Assets (A)	7,344	7,829	7,162	7,620	6,600	6,923
Present Value of Scheme Liabilities	8,138	8,626	8,848	9,400	6,900	7,239
Property Value of Unfunded Liabilities	-	-	-	-	-	-
Total Value of Liabilities (B)	8,138	8,626	8,848	9,400	6,900	7,239
<b>Net Pension Liability (A-B)</b>	<b>(794)</b>	<b>(797)</b>	<b>(1,686)</b>	<b>(1,780)</b>	<b>(300)</b>	<b>(316)</b>

The valuation revealed that the Net Pension Asset as at 31 March 2008 is a liability of £797,000 (2006/07: £1,780,000). As Sports Council has a constructive obligation to fund any deficit allocated to its share of the Fund the full amount of the deficit has been recognised.

All assets, liabilities and operating costs relating to the pension scheme are processed through the Sports Council Exchequer Accounts. A recharge is made to the Sports Council Lottery Distribution Accounts for any pension costs incurred on behalf of the Lottery. However, under FRS 17 it has not been possible to identify the Sports Council Lottery Distribution Funds share of the scheme.

Contributions for the year were as follows:

	2008 SCNI £	2008 GROUP £	2007 SCNI £	2007 GROUP £
Employers	279,124	309,381	127,190	156,841
Employees	139,074	152,249	210,526	224,310
<b>Total</b>	<b>418,198</b>	<b>461,630</b>	<b>337,716</b>	<b>381,151</b>

The following are notes from the actuaries report at the 31 March 2008:

Amount Charged to Operating Profit	31 March 2008 £(000)		31 March 2007 £(000)	
	SCNI	GROUP	SCNI	GROUP
Service Cost	391	428	272	303
Past Service Cost	66	66	-	-
Curtailement and Settlements	-	-	-	-
Decrease in Irrecoverable Surplus	-	-	-	-
<b>Total Operating Charge (A)</b>	<b>457</b>	<b>494</b>	<b>272</b>	<b>303</b>

Amount Credited to Other Finance Income	31 March 2008 £(000)		31 March 2007 £(000)	
	SCNI	GROUP	SCNI	GROUP
Expected Return on Employer Assets	520	554	461	483
Interest on Pension Scheme Liabilities	(488)	(519)	(421)	(443)
<b>Net Return (B)</b>	<b>32</b>	<b>35</b>	<b>40</b>	<b>41</b>
<b>Net Revenue Account Cost (A)-(B)</b>	<b>425</b>	<b>459</b>	<b>232</b>	<b>262</b>

Analysis of Amount Recognised in Statement of Total Recognised Gains and Losses	31 March 2008 £(000)		31 March 2007 £(000)	
	SCNI	GROUP	SCNI	GROUP
Actual Return Less Expected Return on Pension Scheme Assets	(783)	(829)	(80)	(80)
Experience Gains and Losses Arising on the Scheme Liabilities	(80)	(80)	1	(7)
Changes in Assumptions Underlying the Present Value of the Scheme Liabilities	1,902	2,046	(1,276)	(1,344)
<b>Actuarial Gain/(Loss) in Pension Plan</b>	<b>(1,039)</b>	<b>(1,137)</b>	<b>(1,355)</b>	<b>(1,431)</b>
Increase/(Decrease) in Irrecoverable Surplus from Membership Fall and Other Factors	-	-	-	-
<b>Actuarial Gain/(Loss) Recognised in STRGL</b>	<b>(1,039)</b>	<b>(1,137)</b>	<b>(1,355)</b>	<b>(1,431)</b>

Movement in Surplus/(Deficit) During the Year	31 March 2008 £(000)		31 March 2007 £(000)	
	SCNI	GROUP	SCNI	GROUP
Surplus/(Deficit) at Beginning of the Year	(1,686)	(1,780)	(300)	(316)
Current Service Cost	(391)	(428)	(272)	(303)
Employer Contributions	278	305	201	230
Contributions in Respect of Unfunded Benefits	-	-	-	-
Other Income	-	3	-	-
Other Outgoings (e.g. expenses etc)	(66)	(66)	-	-
Past Service Costs	-	-	-	-
Impact of Settlements and Curtailments	-	-	-	-
Net Return on Assets	32	32	40	40
Actuarial Gains/(Losses)	1,039	1,137	(1,355)	(1,431)
<b>Surplus/(Deficit) at End of Year</b>	<b>(794)</b>	<b>(797)</b>	<b>(1,686)</b>	<b>(1,780)</b>

History of Experience Gains and Losses	31 March 2008 £(000)		31 March 2007 £(000)	
	SCNI	GROUP	SCNI	GROUP
Difference Between the Expected and Actual Return on Assets Value of Assets	(783)	(829)	(80)	(80)
<b>Percentage of Assets</b>	<b>(10.7%)</b>	<b>(10.7%)</b>	<b>(1.1%)</b>	<b>(1.1%)</b>
Experience Gains/(Losses) on Liabilities	(80)	(80)	1	(7)
Total Present Value of Liabilities	8,138	8,626	8,848	9,400
<b>Percentage of the Total Present Value of Liabilities</b>	<b>(1.0%)</b>	<b>(1.0%)</b>	<b>0.0%</b>	<b>0.0%</b>
Actuarial Gains/Losses Recognised in STRGL	1,039	1,137	(1,355)	(1,431)
Total Present Value of Liabilities	8,138	8,626	8,848	9,400
<b>Percentage of the Total Present Value of Liabilities</b>	<b>12.8%</b>	<b>12.8%</b>	<b>(15.3%)</b>	<b>(15.3%)</b>

## 6. Taxation

Sports Council carried out a review of its tax treatment. As part of the review it was identified that Sports Council is subject to corporation tax.

	2008 SCNI £	2008 GROUP £	2007 SCNI £	2007 GROUP £
Corporation Tax Current Year	5,567	5,567	-	-
Corporation Tax and Interest Previous Year	21,055	21,055	-	-
<b>Total Corporation Tax</b>	<b>26,622</b>	<b>26,622</b>	<b>-</b>	<b>-</b>

**7a. Fixed Assets – Tangible**

Cost or Valuation	Assets in	Buildings	Specialist	Furniture	Motor	Computer	Total	Total
	Course of Construction	£	Sports Equipment	and Fittings	Vehicles	Equipment	SCNI	GROUP
	£	£	£	£	£	£	£	£
At 1 April 2007	69,761	447,065	59,847	54,668	52,246	245,744	929,331	942,889
Additions	192,957	-	25,491	1,750	23,055	114,644	357,897	387,410
Disposals	-	-	-	(1,232)	-	(30,334)	(31,566)	(31,566)
At 31 March 2008	262,718	447,065	85,338	55,186	75,301	330,054	1,255,662	1,298,733
Depreciation								
At 1 April 2007	-	195,289	39,036	51,473	32,658	204,919	523,375	524,991
Provided During Year	-	89,413	16,454	1,958	12,293	61,007	181,125	185,549
Disposals	-	-	-	(1,232)	-	(30,334)	(31,566)	(31,566)
At 31 March 2008	-	284,702	55,490	52,199	44,951	235,592	672,934	678,974
Net Book Value								
At 31 March 2007	69,761	251,776	20,811	3,195	19,588	40,825	405,956	417,898
At 31 March 2008	262,718	162,363	29,848	2,987	30,350	94,462	582,728	619,759

The Net Book Value of Buildings comprises:

	<b>2008 SCNI £</b>	<b>2008 GROUP £</b>	<b>2007 SCNI £</b>	<b>2007 GROUP £</b>
Short Leasehold	425,081	425,081	321,537	321,537

Buildings refer to the Tollymore Mountain Centre, which were valued by the Valuation and Lands Agency (VLA) on 1 April 2003 at depreciated replacement cost of £320,367. The Tollymore Mountain Centre is being re-developed and a number of associated costs with this project have been capitalised. The Centre will not be professionally valued again until the new build is complete. The existing building is being written down over the next 5 years.

The land which the Tollymore Mountain Centre resides on was held by the SCNI Trust. Sports Council Northern Ireland acts as the Trustee for the SCNI Trust, and SCNI's Council members therefore have control over this land. The land was placed into the Trust in order to transfer the land from the Central Council of Physical Recreation and to ensure it be protected for sporting use. On the 23 April 2009 the courts granted an Order to terminate the SCNI Trust. The lease of the land has been assigned to Sports Council.

The leases entered into in respect of the land at Tollymore Mountain Centre and Altnadue Quarry have been expensed to the operating cost statement (see Note 15).

#### 7b. Fixed Assets - Intangible

	<b>SCNI Computer Equipment £</b>	<b>Total GROUP £</b>
Cost or Valuation		
At 1 April 2007	362,389	362,389
Additions	62,066	62,066
At 31 March 2008	424,455	424,455
Depreciation		
At 1 April 2007	349,076	349,076
Provided During Year	27,639	27,639
At 31 March 2008	376,715	376,715
Net Book Value		
At 31 March 2007	13,313	13,313
At 31 March 2008	47,740	47,740

**8. Operating Costs**

	<b>2008</b>	<b>2008</b>	<b>2007</b>	<b>2007</b>
	<b>SCNI</b>	<b>GROUP</b>	<b>SCNI</b>	<b>GROUP</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Travel & Subsistence	108,042	113,939	111,507	140,502
Recruitment	39,336	43,213	33,381	37,104
Training	51,786	62,082	47,353	47,353
Publications, Printing & Stationery and IT Consumables	83,463	85,089	51,297	55,913
Telephones & Postage	101,978	105,475	87,340	96,782
Professional Fees/Consultancy Fees	206,528	218,696	238,010	255,010
Repairs & Renewals	204,381	213,978	125,322	126,190
(Profit)/Loss on Disposal of Fixed Asset	-	-	(4,935)	(4,935)
Quality Initiatives	1,619	1,619	2,001	2,001
Insurance	54,980	67,175	57,416	75,595
Rent & Rates	95,840	190,287	95,072	186,252
Heat & Light	46,501	46,501	46,272	46,272
Caretaking & Cleaning	36,387	36,387	38,264	38,264
Sundry Expenses	1,501	1,801	808	906
Bad Debts	492	492		
Committees, Receptions & Publicity	443,921	456,032	266,491	272,377
Promotions & Sponsorships	45,363	45,363	69,625	69,625
Information Services, Journals & Subscriptions	78,144	78,144	21,900	21,900
Sports Development	193,724	193,724	60,325	60,324
Coaches	2,434	2,433	1,366	1,365
Fees and Bank Charges	981	1,118	1,111	2,086
<b>Total Other Operating Costs</b>	<b>1,797,401</b>	<b>1,963,548</b>	<b>1,349,926</b>	<b>1,530,886</b>
<b>Total Grants</b>	<b>12,018,170</b>	<b>12,018,170</b>	<b>8,301,884</b>	<b>8,301,884</b>
<b>Total Costs</b>	<b>13,815,571</b>	<b>13,981,718</b>	<b>9,651,810</b>	<b>9,832,770</b>

Rent charged to the operating cost statement is based on a non-commercial arrangement with DCAL.

The deficit in the operating cost statement is after charging:

	<b>2008</b>	<b>2008</b>	<b>2007</b>	<b>2007</b>
	<b>SCNI</b>	<b>GROUP</b>	<b>SCNI</b>	<b>GROUP</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Depreciation of owned assets:	208,764	213,188	205,879	207,320
Hire of land:	900	900	900	900
Hire of other assets:	1,634	1,634	6,224	6,224

**9. Notional Costs**

The operating cost statement bears a non-cash charge for interest relating to the use of capital by the Sports Council. The basis of the charge is 3.5% (2006/07 – 3.5%) of the average capital employed by the Sports Council during the year, defined as total assets less total liabilities.

	<b>2008</b>	<b>2008</b>	<b>2007</b>	<b>2007</b>
	<b>SCNI</b>	<b>GROUP</b>	<b>SCNI</b>	<b>GROUP</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Notional Cost of Capital	(27,367)	(27,367)	(20,072)	(20,072)
Notional Auditors Remuneration	18,000	18,000	18,000	18,000
Total Notional Costs	<u>(9,367)</u>	<u>(9,367)</u>	<u>(2,072)</u>	<u>(2,072)</u>

**10. Stock of Luncheon Vouchers**

	<b>2008</b>	<b>2008</b>	<b>2007</b>	<b>2007</b>
	<b>SCNI</b>	<b>GROUP</b>	<b>SCNI</b>	<b>GROUP</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Opening Stock 1 April	57	57	111	111
Receipts	11,085	11,085	9,920	9,920
Issued to Staff	(11,109)	(11,109)	(9,974)	(9,974)
Closing Stock 31 March	<u>33</u>	<u>33</u>	<u>57</u>	<u>57</u>

**11. Debtors and Prepayments (Amounts Due Within One Year)**

<b>11 (a). Analysis by Type</b>	<b>Note</b>	<b>2008</b>	<b>2008</b>	<b>2007</b>	<b>2007</b>
		<b>SCNI</b>	<b>GROUP</b>	<b>SCNI</b>	<b>GROUP</b>
		<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Trade Debtors		67,688	67,688	39,015	39,072
Prepayments and Other Debtors		286,859	306,226	326,148	363,675
Amount Owed by Lottery		272,779	317,662	233,379	244,759
Grant Claw back		20,777	20,777	240,959	240,959
Total		<u>648,103</u>	<u>712,353</u>	<u>839,501</u>	<u>888,465</u>

**11 (b). Intra Government Balances**

	<b>2008</b>	<b>2008</b>	<b>2007</b>	<b>2007</b>
	<b>SCNI</b>	<b>GROUP</b>	<b>SCNI</b>	<b>GROUP</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Balances with central government	-	-	-	-
Balances with local authorities	3,200	3,200	1,036	1,036
Balances with other government organisations	471,681	516,564	464,796	476,176
Balances with bodies external to government	173,222	192,589	373,669	411,253
	<u>648,103</u>	<u>712,353</u>	<u>839,501</u>	<u>888,465</u>

**12. Cash**

<b>Cash at Bank and in Hand</b>	<b>2008 SCNI £</b>	<b>2008 GROUP £</b>	<b>2007 SCNI £</b>	<b>2007 GROUP £</b>
Bank	1,099,800	1,149,985	555,444	575,172
Petty Cash	400	400	400	400
<b>Total Cash at Bank and in Hand</b>	<b>1,100,200</b>	<b>1,150,385</b>	<b>555,844</b>	<b>575,572</b>

<b>Petty Cash Movement</b>	<b>2008 SCNI £</b>	<b>2008 GROUP £</b>	<b>2007 SCNI £</b>	<b>2007 GROUP £</b>
Petty Cash – 1 April	400	400	400	400
Petty Cash – 31 March	400	400	400	400
<b>Net Movement in Petty Cash</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

<b>Cash at Bank Movement</b>	<b>2008 SCNI £</b>	<b>2008 GROUP £</b>	<b>2007 SCNI £</b>	<b>2007 GROUP £</b>
Cash at Start of Year	555,444	575,172	385,088	417,949
Net Cash Inflow/(Outflow)	544,356	574,813	170,356	157,223
<b>Cash in Bank at 31 March</b>	<b>1,099,800</b>	<b>1,149,985</b>	<b>555,444</b>	<b>575,172</b>

**13. Creditors (Amounts Falling Due Within One Year)**

<b>13 (a). Analysis by Type</b>	<b>2008 SCNI £</b>	<b>2008 GROUP £</b>	<b>2007 SCNI £</b>	<b>2007 GROUP £</b>
Trade Creditors	1,276	51,814	192	7,093
Grant Creditor	1,632,805	1,632,805	1,124,767	1,124,767
VAT	15,985	15,985	8,544	8,544
Other Tax and Social Security	24,043	30,722	-	1,063
Other Creditors	-	3,447	-	72,670
Accruals	256,056	346,858	194,555	194,555
Deferred Income	7,233	7,233	11,876	11,876
<b>Total</b>	<b>1,937,398</b>	<b>2,088,864</b>	<b>1,339,934</b>	<b>1,420,568</b>

**13 (b). Intra Government Balances**

	<b>2008 SCNI £</b>	<b>2008 GROUP £</b>	<b>2007 SCNI £</b>	<b>2007 GROUP £</b>
Balances with central government	43,724	50,701	9,547	10,610
Balances with local authorities	78,713	78,713	101,961	101,961
Balances with other government organisations	464,566	464,566	-	-
Balances with bodies external to government	1,350,395	1,494,884	1,228,426	1,307,997
	<b>1,937,398</b>	<b>2,088,864</b>	<b>1,339,934</b>	<b>1,420,568</b>



#### 14. Provisions

	Note	2008 SCNI £	2008 GROUP £	2007 SCNI £	2007 GROUP £
Pension Liability	18	794,000	796,500	1,686,000	1,780,000
Total		<u>794,000</u>	<u>796,500</u>	<u>1,686,000</u>	<u>1,780,000</u>

#### 15. Leases

At 31 March 2008 the Sports Council had annual commitments under non-cancellable operating leases as set out below:

	2008		2007	
	Land & Buildings £	Other £	Land & Buildings £	Other £
Operating Leases which Expire:				
Within One Year	-	872	-	2,344
Within Two and Five Years Inclusive	-	761	-	768
Over Five Years	900	-	900	-
Total	<u>900</u>	<u>1,633</u>	<u>900</u>	<u>3,112</u>

The land which the Tollymore Mountain Centre resides on is subject to rent reviews every five years.

#### 16. Commitments

The Sports Council has made a number of awards to grant recipients for future years. These awards are for the following value:

- Stadia Safety Programme - £2,470,856;
- Motor Sport - £82,500
- Safety Management Programme - £8,648;
- Building Sport Programme - £598,233;
- SINI Capital Build - £472,284;
- CAAN - £96,441; and
- Governing Body Plans - £1,343,690.

There were no capital commitments as at 31 March 2008.

Amounts contracted but not provided in the financial statements total £NIL (2006/07: £NIL).

#### 17. Deferred Capital

Capital allocations relating to the redevelopment of Tollymore Mountain Centre not yet released

	Note	2008 £	2007 £
At 1 April		-	-
Government Grant		200,000	-
Adjustment for Previous Year #	18	<u>67,800</u>	-
At 31 March		<u>267,800</u>	-

# Prior year grant had been taken straight to reserves. Adjustment required to reflect true value of grant received to date.

**18. Reconciliation of Movements in Reserves and General Fund**

	General Reserve	Pension Reserve	Revaluation Reserve	Total SCNI	Total GROUP
	£	£	£	£	£
As At 31 March 2006	56,779	(300,000)	133,752	(109,469)	(125,469)
Operating Cost	(10,639,464)	(31,000)	-	(10,670,464)	(10,671,964)
GIA Received Resource From DCAL	8,004,000	-	-	8,004,000	8,004,000
GIA Received Capital From DCAL	2,946,420	-	-	2,946,420	2,946,420
Release of Revaluation Reserve	-	-	(26,750)	(26,750)	(26,750)
Actuarial Gains/(Losses)	-	(1,355,000)	-	(1,355,000)	(1,431,500)
<b>At 31 March 2007</b>	<b>367,735</b>	<b>(1,686,000)</b>	<b>107,002</b>	<b>(1,211,263)</b>	<b>(1,305,263)</b>
At 1 April 2007	367,735	(1,686,000)	107,002	(1,211,263)	(1,305,263)
Operating Cost	(14,883,744)	(147,000)	-	(15,030,744)	(15,037,244)
GIA Received Resource From DCAL	8,888,913	-	-	8,888,913	8,888,913
GIA Received Capital From DCAL	3,703,615	-	-	3,703,615	3,703,615
GIA Received From DCMS	2,084,636	-	-	2,084,636	2,084,636
Release of Revaluation Reserve	-	-	(26,751)	(26,751)	(26,751)
Actuarial Gains/(Losses)	-	1,039,000	-	1,039,000	1,137,000
Transfer to Deferred Capital	(67,800)	-	-	(67,800)	(67,800)
<b>At 31 March 2008</b>	<b>93,355</b>	<b>(794,000)</b>	<b>80,251</b>	<b>(620,394)</b>	<b>(622,894)</b>

**19. Contingent liabilities**

DCAL have approved Sports Council underwriting 50% of the loss which arose at the SINI. The loss of £75,041 arose due to fraudulent activity, and to date £65,036 has been recovered. The maximum amount of the liability will be £5,003. On the 23<sup>rd</sup> December 2009, DCAL gave SNI approval to write off the outstanding amount.

**20. Related Party Transactions**

Several members of the Sports Council and key management staff are involved in sports organisations in Northern Ireland either directly or indirectly as a result of a family relationship, a close friendship or business relationship. They 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 together with details of those who declared an interest is detailed below. All the transactions relating to these organisations were conducted at arms length by the Sports Council.

The following transactions are considered to be disclosable Related Party Transactions in respect of Council Members and Senior Staff.

Grant/ Contract £	Organisation	Individual	Position	Relationship
Consultancy Contract	CAAN	O Brown	Sports Council Member	Consultant.
7,200	Irish Women's Bowling	J Thompson	Sports Council Officer	Person Connected – Member.
3,950	Basketball NI	A Money Penny	Sports Council Member	Honorary Officer.
		M Smith	Sports Council Officer	External Consultant.
610,850	UB Irish Rugby Football Union	B McCargo	Sports Council Member	Person Connected – Member.
		H McCaughey	Sports Council Member	Ex Committee Member and Honorary Officer
		J Poots	Sports Council Officer	Person Connected – Member.
1,854,875	Irish Football Association	A Money Penny	Sports Council Member	Former Independent Director.
		M Muldoon	Sports Council Member	Honorary Member.
5,000	Cycling	M McGreevy	Sports Council Officer	Person Connected – Member.
107,430	SINI	O Brown	Sports Council Member	Non Executive Director of SINI.
		D O'Connor	Sports Council Member	Non Executive Director of SINI appointed 24/4/08.
		P Turnbull	Sports Council Member	Non Executive Director of SINI appointed 25/11/08.
		C Logue	Sports Council Member	Non Executive Director of SINI to 19/2/08.
		H McCaughey	Sports Council Member	Chairman of SINI to 6/8/08.
		E McCartan	Sports Council Chief Executive	Joint venture company of Sports Council.
		S Ogle	Sports Council Director	Chief Executive of SINI.
		I Weir	Sports Council Officer	Corporate Services Manager of SINI.
3,000,000	University of Ulster	O Brown	Sports Council Member	Non Executive Director of SINI.
		D O'Connor	Sports Council Member	Non Executive Director of SINI appointed 24/4/08.
		P Turnbull	Sports Council Member	Non Executive Director of SINI appointed 25/11/08.
		C Logue	Sports Council Member	Non Executive Director of SINI to 19/2/08.
		H McCaughey	Sports Council Member	Chairman of SINI to 6/8/08.
		M Murphy	Sports Council Member	Salaried Employee.
		E McCartan	Sports Council Chief Executive	Visiting Professor and Joint Venture Company with Sports Council.

Grant/ Contract £	Organisation	Individual	Position	Relationship
		S Ogle	Sports Council Director	Chief Executive of SINI.
		I Weir	Sports Council Officer	Corporate Services Manager of SINI.
		G Logan	Sports Council Officer	Person Connected – Employee.
3,950	UB Irish Hockey Association	N Harkness	Sports Council Director	Person Connected – Member.
3,950	Ulster Women's Hockey Union	N Harkness	Sports Council Director	Person Connected – Member.
Sponsorship	Belfast City Marathon	N Harkness	Sports Council Director	Non Executive Director.
250,000	2x4 Wheel Motor Sport Steering Committee	M Campbell	Sports Council Officer	Person Connected with Club.
Research Projects	Sheffield Hallam University	P Donnelly	Sports Council Officer	Student at University.
Consultancy Contracts	FGS McClure Watters	J Beggs	Sports Council Officer	Previous Employer.
Consultancy Contracts	BDO Stoy Hayward	J Beggs	Sports Council Officer	Previous Employer.

#### Other related parties include:

The Sports Council is a Non-Departmental Public Body sponsored by DCAL. DCAL is regarded as a related party.

During the year the Sports Council has had various transactions with the Department and with other entities for which DCAL is regarded as the parent Department. None of the Council Members, key managerial staff or other related parties has undertaken any material transactions with the Sports Council during the year.

The Sports Council operates a Lottery Distribution Account in which awards are distributed. A number of recharges are made to the Lottery Distribution Account.

The Sports Council owns 50% of the Sports Institute Northern Ireland via a joint venture with the University of Ulster. The Sports Institute Northern Ireland and University of Ulster are both regarded as related parties. The Sports Council has a service level agreement in place with the Sports Institute Northern Ireland for providing staff services.

As a matter of policy and procedure, the Sports Council maintains a publicly available register of interests where Council Members and staff declare any direct interest in grant applications made to Sports Council or any commercial relationships of the Sports Council. 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.

#### 21. Losses During Year

Bad debts were written off during the year of NIL (2006/07: NIL). A bad debt provision of £492 has been made in the accounts for Coaching NI.

There were no cash losses written off during the year (2006/07: NIL).

In September 2006 the Sports Council was formally informed of a fraud in its joint venture company SINI. Sports Council undertook a forensic audit of the company to determine the exact value of the fraud. The fraud was calculated to be £75,041 of which £14,587 took place in the financial year 31 March 2006 and £60,454 in the financial year 31 March 2007. Of the

total fraud amount £65,036 has been recovered. On the basis of legal advice obtained by the Sports Institute of Northern Ireland, Sports Council wrote to the Department of Culture Arts and Leisure Accounting Officer seeking approval to write off the amount of £10,005. On the 23<sup>rd</sup> December 2009, the Department of Culture Arts and Leisure provided approval for the write off.

## **22. Derivatives and other Financial Instruments**

FRS13 requires disclosure of the role which financial instruments have had during the period in creating or changing the risks the Sports Council faces in undertaking its role.

The Sports Council does not use financial instruments to manage financial risks associated with its underlying business activities and the financing of those activities. Nor does it undertake any trading activity in financial instruments.

## **23. Post Balance Sheet Event**

On the 23 April 2009 the courts granted an Order to terminate the SCNI Trust. The lease of the land at Tollymore Mountain Centre has been transferred to Sports Council.

## **24. Sports Institute Northern Ireland**

The Sports Institute Northern Ireland is a 50%/50% joint venture between Sports Council and the University of Ulster. The company is limited by guarantee and the liability of the members is limited to £1 per member.

The core purpose of the Sports Institute Northern Ireland is 'to create an environment that nurtures and leads High Performance athletes and coaches through the provision of facilities, services and expertise.'

The Sports Institute Northern Ireland's accounting year end is the same as Sports Council and there are no material differences in accounting policies. The Sports Institute Northern Ireland obtains a majority of its funding via a Sports Council Lottery grant. At the year end 31 March 2008 there was no profit/loss for the year and nil net assets.

**ANNEX A**

**ACCOUNTS DIRECTION**

**SPORTS COUNCIL FOR NORTHERN IRELAND**

**ACCOUNTS DIRECTION GIVEN BY THE DEPARTMENT OF CULTURE ARTS AND LEISURE WITH THE APPROVAL OF THE DEPARTMENT OF FINANCE AND PERSONNEL**

The annual accounts shall give a true and fair view of the income and expenditure and cash flows for the financial year, and the state of affairs as at the year-end. Subject to this requirement the Sports Council for Northern Ireland shall prepare accounts for the financial year ended 31 March 2006 and subsequent financial years in accordance with:

- a. Government Financial Reporting Manual (FReM);
- b. other guidance which the Department of Finance and Personnel may issue from time to time in respect of accounts which are required to give a true and fair view;
- c. any other specific disclosures required by the Department;

except where agreed otherwise with the Department of Finance and Personnel, in which case the exception shall be described in the notes to the accounts.

Signed by authority of the Department of Culture, Arts and Leisure

**PAUL SWEENEY**  
Permanent Secretary

**19 May 2006**





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