

**The Sports Council for Northern Ireland**  
**Annual Report and Accounts**  
**For the year ended 31<sup>st</sup> March 2010**



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**For the year ended 31<sup>st</sup> March 2010**

*The Accounting Officer authorised these  
Financial statements for issue*

*on*

*3 October 2011*

*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*

*9 November 2011*

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## **Chairman's Foreword**

I am delighted to introduce the 2009-10 Sports Council Annual Review. What a journey the past 12 months have been. I am extremely proud to be able to present the work of this organisation to you and reflect, not just on the success of 2009-10, but also on the upcoming challenges and opportunities we face in 2010-11.

Sports Council is dedicated to developing people in sport, especially young people, and providing facilities for people of every age group and ability to be able to participate, enjoy and perform sport and physical activity. We want everyone to benefit from the enjoyment and individual sense of achievement that participating in sport brings, and from the excitement and pride generated by strong performances.

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. Sport's greatest contribution to other government objectives is its positive impact on public health. The health benefits associated with sport and physical activity are well documented, and it is no surprise that sport is increasingly viewed as a form of preventative medicine by many in primary care.

Sports Council is committed to building a community sport environment which retains its participants and helps those with talent to flourish. We continually encourage local engagement, stimulated through sports participation, enabling the development of more cohesive, tolerant and inclusive communities. The beneficiaries of such an environment won't just include those already immersed in sport, but also those who are yet to discover its power. All of our work – the expertise we provide, advice we give, funds we invest, and relationships we build – is focused on creating a culture of lifelong participation and success in sport.

This annual review is testament, not only to the progress achieved by Sports Council staff but, to the strength of the partnerships which have been built over the years. The successes highlighted in this document tell the story of what these partnerships are achieving. Undoubtedly one of our greatest achievements this year has been considerable redevelopment activity at Tollymore National Outdoor Centre. A £5million rebuild has completely transformed the Centre which will include many new facilities as well as an upgrade of all existing facilities. New and improved facilities in the Centre will include a purpose built indoor kayaking pool, indoor rock climbing, full catering facilities, twin ensuite accommodation, a range of meeting rooms, and vastly improved storage and administration areas. The redevelopment will allow Tollymore to continue to provide a wide range of courses to individuals, groups and organisations at all levels.

In closing, I would like to thank my fellow Board Members for their advice, expertise and commitment throughout the year. I also wish to pay tribute to the Chief Executive Eamonn McCartan, and staff at Sports Council, whose commitment, dedication and considerable ability led to the achievement of the our goals in 2009-10.

Finally, I would like to acknowledge all those involved in the ongoing delivery of sport in Northern Ireland; the volunteers, coaches, officials, administrators, athletes and participants, who have worked with great application and enthusiasm throughout the year. Together we look forward with a sense of optimism and a determination to encourage everyone to get involved and ensure that sport remains an integral part of life in Northern Ireland.



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

**Date: 23 September 2011**

## **Chief Executive's Statement**

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 – 'Sport Matters', which has now been approved by the Northern Ireland Executive. I am motivated by this Strategy; it is an ambitious document which establishes the key priorities for the future development of sport and physical recreation in Northern Ireland and informs the direction of future investment.

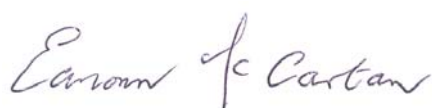
Northern Ireland sport today faces major challenges and significant difficulties particularly in terms of participation, high performance and the quantity and quality of existing infrastructure. There needs to be a new long-term vision and direction for sport, so that we secure all the potential benefits it offers society and the individual. Sport Matters offers that vision and direction. Its vision of "a culture of lifelong enjoyment and success in sport" itself encapsulates what we are aiming to achieve. Sports Council is committed to providing the leadership needed to deliver on the targets and commitments within Sport Matters. Through these targets we will not just preserve our sporting culture, but cultivate it and strengthen it now and for the future.

With not long to go until the Commonwealth Games in Delhi in October, I wish all our Northern Ireland athletes every success. Following that an exciting journey to the London 2012 Olympic and Paralympic Games will gain momentum, with less than two years to go we must seize this opportunity with both hands, as the Games will undoubtedly provide a unique opportunity for Northern Ireland, particularly in terms of high performance sport. With this in mind, Sports Council is committed to developing Olympic-standard sports facilities as a legacy from the 2012 Games, providing the opportunity for future sporting successes. Northern Ireland stands to benefit considerably from this long-term legacy.

However, sport and physical recreation in Northern Ireland is facing some difficult times. The structure of government in Northern Ireland has undergone considerable change over the last ten years, and it is reasonable to assert that the next ten years will bring more change – not least in the implementation of the Review of Public Administration. Changes in public sector governance have coincided with considerable economic downturn, driven by regional, national and global circumstances. The Northern Ireland Executive's 'Programme for Government' has, at its heart, an aspiration "to grow a dynamic, innovative economy"; this is a challenge faced by us all. As the leading public body for the development of sport in Northern Ireland, Sports Council seeks to ensure that sport is able to respond to this challenge – and is resourced to deal with changing circumstances.

We will continue to put sport first, but more than ever we must ensure that our partnerships are strong and that the sporting infrastructure works towards shared outcomes. We must also demonstrate how sport is a creative and cost effective solution which can contribute to the wider government agenda.

My thanks go to all those organisations and individuals who have worked with Sports Council to further the development of sport in Northern Ireland. Together we are focused on the future and playing a leading role in the team effort required to maximise the contribution that sport makes to the health and vibrancy of our nation.



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

**Date: 23 September 2011**

## **Annual Report - 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 net expenditure, changes in taxpayers’ equity and cash flows for the financial year.

They have also been prepared in accordance with Article 7 of the Order and in a form directed by 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 Committee's 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.

DCAL appointed members of Sports Council 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 2009/10.

**Sports Council Membership**

Mr D Walsh (Chairman)  
Mr A Money Penny (Vice-Chairman) - Appointed Vice-Chairman 1 October 2009.  
Ms U Duncan  
Dr O Brown  
Mr M Cowan  
Mr B Macaulay  
Mr D O'Connor  
Ms M Muldoon - Resigned from Sports Council 14 January 2010.  
Mr J D'Arcy  
Mr B McCargo  
Mr H McCaughey - Resigned from Sports Council 30 November 2009.  
Mr P Turnbull  
Mr J Rodgers  
Mr A Strong

**Participation Committee**

Mr B McCargo (Chairman)  
Clr J Rodgers  
Mr J D'Arcy  
Mr M Cowan  
Ms U Duncan  
Mr A Money Penny  
Mr B Macaulay - Appointed to Committee 21 January 2010.

**Places Committee Term**

Mr A Strong (Chairman)  
Mr B McCargo  
Mr H McCaughey - Resigned from Sports Council 30 November 2009.  
Ms M Muldoon - Resigned from Sports Council 14 January 2010.  
Mr M Cowan  
Mr P Turnbull - Resigned from Committee 4 March 2010.

**Performance Committee**

Mr D O'Connor (Chairman)  
Mr A Strong  
Mr B Macaulay - Resigned from Committee 14 January 2010.  
Mr P Turnbull  
Dr O Brown  
Mr H McCaughey - Resigned from Sports Council 30 November 2009.

**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 and the Audit Committee***

Sports Council employs an internal auditor who prepares an audit plan, which is approved by the Audit Committee. The internal auditor reports bi-annually on each work area, and these are presented to the Audit Committee for review. During the year the following were the members of the Audit Committee:

Dr O Brown (Chairperson)  
Mr P Turnbull  
Mr J D'Arcy  
Mr J Rodgers

The Audit Committee will advise the Chief Executive and Council on:

- The strategic processes for risk, control and governance;
- The accounting policies and the accounts of the organisation;
- The planned activity and results of both internal and external audit;
- Adequacy of management response to issues identified by audit activity; and
- Assurances relating to the corporate governance requirements for the organisation.

### **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.

### **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 2010/11. This agreement also includes an agreed set of strategic targets.

### **Lottery Distributor**

The Minister appointed the Sports Council as a Lottery distributor since 1994. 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.

## **Environmental Matters**

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.

## **Sickness Absence Data**

The Sports Council had an average of 8.13 days absence per full time equivalent person in 2009/10 (7.63 days: 2008/09).

## **Personal Data Related Incidents**

There were no incidents during the year.

## **Payment Policy**

The Sports Council is committed to the prompt payment of bills for goods and services in accordance with the Better Payment Practice 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.

A review conducted at the end of the year to measure how promptly the Sports Council paid its bills found that 97% (2008/09: 99%) were paid within this standard.

During 2009/10 Sports Council revised internal timescales for the processing and payment of invoices, in line with government guidance, which requested that payments should be made within 10 days. The Sports Council paid 75% of invoices within 10 working days.

## **Political and Charitable Donations**

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

## **Pension Fund**

All assets, liabilities and operating costs of the Sports Council's pension scheme are recorded in the accounts of the Exchequer entity. The market value of the Sports Council's share of the NILGOSC pension scheme's assets (excl. AVCs) at 31 March 2010 was £9.590m (2008/09: £6.345m). The Council's share of the scheme liabilities was £16.230m (2008/09: £8.515m). The Sports Council's share of the scheme recorded net pension liabilities at 31 March 2010 was £6.640m (2008/09: £2.170m).

## **Annual Report - Management Commentary**

### **Financial Results**

The results of the Sports Council are set out in detail on page 42. The net comprehensive expenditure for the year was £30,934,856 (restated 2008/09: £24,505,931). The reserves at the year end show a deficit of £5,180,992 (restated 2008/09: surplus £211,590).

### **Review of Activities**

#### *1.0 Participation and Facilities*

There are many benefits to be accrued from participating in sport and physical recreation, particularly health. Sport contributes to tackling health issues such as obesity, cardiovascular disease, diabetes, and mental health issues. It also enables both physical and psychological development while providing a vehicle for enjoyment and fun, whilst also ensuring people have access to locally available sporting facilities.

Sports Council's Participation and Facilities Unit 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 Sport in our Community*

The four-year Sport In Our Community Programme commenced in April 2006, investing almost £4m in 34 different projects across Northern Ireland in a range of organisations.

The programme had three cross-cutting themes:

1. Development of physical literacy;
2. Development of opportunities for people with a disability to participate in sport and/or physical activity; and
3. Creation of sport or physical activity opportunities in areas of high social need for those who have not previously had a sustained interest in sport.

Thirty-one of the projects concluded on 31 March 2010. Mid-year returns from the projects reported almost 23,000 participants by 30 September 2009. Women and girls accounted for 42% of all participants, while 9% of participants recorded that they had a disability, and 2% were from a minority ethnic community.

During 2009-10, there was significant political interest in the public health benefits of participation in sport and physical activity. Sports Council presented evidence to the Northern Ireland Assembly's Health Committee, and Culture, Arts and Leisure Committee on the contribution that investment programmes such as Sport In Our Community have made to improving public health.

Investment programmes such as Sport In Our Community are complemented by the work that Sports Council has undertaken with organisations such as Disability Sports Northern Ireland (DSNI) and the Countryside Access and Activities Network (CAAN). Through investments in DSNI and CAAN, Sports Council has been able to build capacity with those sectors, improve communication and strengthen the infrastructure so that more people who have traditionally been excluded from sport are enabled and empowered to participate in sport and physical activity on a regular, frequent and sustained basis.

#### *1.1.2 Active Communities*

In October 2008 Sports Council unveiled plans for a strengthened grassroots coaching workforce through the Active Communities Programme, funded by the National Lottery. Over the last 12 months Sports Council has worked intensively with a disparate range of partners including each of the 26 district councils, governing bodies of sport, Coaching Ireland, sportscoach UK, and the community/voluntary sector. One of the unique aspects of Active Communities has been the attempt to encourage closer working between each of the partners within the context of the changes proposed in the Review of Public Administration.

As a result of this work, the first wave of Active Communities coaches was advertised in February/March 2010. Under the plans submitted by the district council-led consortia, Active Communities will create 106 new coaching posts in 2010. This investment will make a significant contribution to a number of the high level targets set within Sport Matters.

Over the next four years Active Communities will engage over 100,000 participants per annum in regular, frequent and sustained participation in sport. Active Communities will provide choice – over 40 different sports are represented by the 106 coaching posts – and enable more equitable participation, focusing on under-represented groups in sport – women/girls, people with a disability and older people. 2009-10 has been a year of laying the foundations for Active Communities; this solid base will ensure that Sports Council is able to maximise the participation legacy over the next four years.

#### *1.1.3 Activ8*

Sport Matters is premised on the LISPA Framework (Lifelong Involvement in Sport and Physical Activity). The cornerstone of the LISPA framework is the development of physical literacy – the fundamental movement skills necessary for a physically active lifestyle from childhood to later years.

The development of physical literacy has been a key policy driver for Sports Council in 2009-10. Sports Council has worked closely with colleagues in the play, education and health sectors to raise awareness and understanding of the importance of physical literacy in a range of settings. One of the highest profile initiatives in this respect was the Activ8 initiative.

Activ8 encouraged children to get active and stay healthy by participating in at least 60 minutes of physical activity every day. Activ8 posed eight challenges to the children, teachers and parents involved:

1. Move your body;
2. Be part of a team;
3. Create your own games;
4. Involve your family;
5. Eat well;
6. Go outdoors;
7. Be a leader; and
8. Measure your success.

Over 10,000 children successfully completed the four-week challenge, which was accompanied by an extensive social marketing campaign across Northern Ireland using web-based resources,

print media and 'Adshels' at bus stops near schools. A critical success factor of Activ8 was undoubtedly the skilful manner in which it wove sport and physical activity into 'everyday' class room activities – adding value to the work undertaken by thousands of teachers daily.

Activ8 was awarded a London 2012 Inspire Mark and was further recognised in the Citybeat 96.7FM Community and Business Awards. The success of Activ8 subsequently led to a unique partnership with the Food Standards Agency and the roll-out of Activ8 Eatwell to 50 primary schools across Northern Ireland. The pre and post-evaluation results of the Activ8 Eatwell project are expected in October 2010. Activ8 and Activ8 Eatwell complement the continued expansion of the network of multi-skills clubs across Northern Ireland, with a current total of 53.

#### *1.1.4 Awards for Sport*

In October 2009, Sports Council launched a new small grants programme - Awards for Sport – aimed at grassroots sports clubs and community organisations across Northern Ireland. Awards for Sport makes investments in projects which will either increase participation in sport or improve sporting performances. Following a simple online application process, successful clubs were able to apply for funding up to a maximum of £10,000. When the programme closed in early January 2010 Sports Council had received 462 applications from sports clubs and community organisations providing sports activities. 162 clubs/organisations were successful in this first round of awards for funding, and Sports Council made awards to the value of over £1m to 34 different sports across 23 district council areas.

The Awards for Sport Programme received some funding from the Northern Ireland Office Proceeds of Crime Fund. As a result of this funding Sports Council was able to support a number of projects which were using sport to address the causes and tackle the effects of crime. These projects included schemes which were working with young offenders, those engaged in anti-social behaviour and/or those children/young people at-risk of offending.

#### *1.1.5 Outdoor Recreation*

Sports Council is at the forefront of developing opportunities for increasing participation in sport and physical recreation in the outdoors. Outdoor recreation, which takes many forms from family walking and cycling, and extreme white water kayaking and rock climbing, continues to see a trend towards increased participation. This has been evidenced by research undertaken on behalf of Sports Council and the Northern Ireland Tourist Board (NITB) by CAAN – 'Trends in Outdoor Recreation'.

In 1998 the Countryside Recreation Strategy was developed by Sports Council in partnership with the Department of Environment, and in 2009 Sports Council and the Northern Ireland Environment Agency commissioned a review of this strategy which showed that 73% of respondents indicated that countryside recreation was either 'highly' or 'very important'.

The governing bodies for the outdoor sports including canoeing, orienteering, mountaineering, and equestrian sports have seen some considerable successes both in participation and performance. Examples of these include the development of a junior slalom squad for kayaking, a number of whom have been selected to represent Ireland at the 2010 World Championships, the development of a new course for disaffected young people with horses, the establishment of two new canoeing clubs, and the formation of two new climbing clubs specifically for young people.

Mountain Rescue continues to be well supported by Sports Council; the Irish Cave Rescue Organisation attributed the saving of a life in Fermanagh directly to the equipment that had been purchased through their Sports Council grant.

### *1.2 Tollymore National Outdoor Centre*

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.

Over the past year there has been considerable redevelopment activity at Tollymore National Outdoor Centre. The Centre is set to officially reopen in June 2010, after a £5 million redevelopment and will include many new facilities as well as an upgrade of all existing facilities.

New and improved facilities in the Centre will include a purpose built indoor kayaking pool, indoor rock climbing, full catering facilities, twin ensuite accommodation, a range of meeting rooms, and vastly improved storage and administration areas.

The redevelopment will allow Tollymore to continue to provide a wide range of courses to individuals, groups and organisations at all levels.

### *1.3 Building Sport*

'Building Sport', a capital programme from Sports Council which includes Lottery and Exchequer funding, 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 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 study illustrates the benefits resulting from this type of Sports Council investment:

The Torrent Complex was made possible by an investment of £1million through Sports Council's Building Sport Programme. The project is the coming together of local schools, clubs and community groups to create a vibrant programme of activity for everyone in a rural setting irrespective of age, gender, religious belief or ethnicity.

To date, the implementation of the Sports Development Plan has exceeded all expectations and the Torrent Complex is now at the very heart of the local community. The innovative programme of activity includes:

- A weekly programme of 13 classes and courses;
- Five new activities to specifically target females (aerobics, boxercise, pilates, pump and tone, and yoga);
- Three new activities to specifically target young people (after schools dance club, karate come and try it, and multi sports club,);
- One new fitness programme specifically for older people;
- One new activity class specifically for a local disabled group; and
- Vacation Sport Programmes.

The Complex has also provided much needed resources for local schools (primary and post primary) to deliver quality PE and sport opportunities and pathways for continued participation have been created via 'After School' initiatives and the involvement of local clubs.

#### *1.4 Places for Sport*

The Sports Council Places for Sport Programme is designed to assist with the delivery of the new ten-year Strategy for Sport and Physical Recreation in Northern Ireland – 'Sport Matters', to provide a vision of 'a culture of lifelong enjoyment and success in sport'. To achieve this vision, the Strategy recognises the need to develop a range of new, improved and shared sports facilities to a standard comparable with other regions in the UK.

The programme specifically focuses on five areas:

1. Pitches and other outdoor sports surfaces e.g. athletic tracks, tennis courts, etc;
2. Indoor specialised sports surfaces;
3. Floodlighting for training pitches and main pitches (only available for strategically important venues);
4. Buildings - construction of a new two or four changing room pavilion/extensions to existing changing pavilions where there is a demonstrated need for additional provision; and
5. Purchase of equipment - equipment must be based permanently in one location and must be new and not replacement or maintenance equipment.

The following case study illustrates the benefits resulting from this type of Sports Council investment:

A new PU (polyurethane) Sports Hall floor was installed in the Fermanagh Lakeland Forum as part of the ongoing refurbishment of the Centre.

Funding of £40,082, for the floor, came from Sports Council through the 'Places for Sport' Programme. Quality accessible facilities are essential in encouraging people of all ages and abilities to take part in regular physical activity and sport. This investment demonstrates Sports Council's commitment to improving and creating new facilities which will help support increased participation and to develop sporting talent.

The PU floor system is a modern performance floor which will help the quality of experience for both casual and recreational uses, as well as higher performance athletes.

### *1.5 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:

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

During 2009-10 Sports Council worked with a number of applicants at various stages in the programme. New awards were issued to Ballymena United FC and Down GAA, and a number of projects were completed. Completed projects included:

#### 1. Celtic Park Derry - Derry GAA County Board

Derry GAA County Board was awarded £800,000 towards the redevelopment of Celtic Park, Derry. There were a number of safety deficiencies at the venue prior to its redevelopment. Sports Council funding had a significant impact on the spectator safety and comfort at the venue going forward, increasing the safe capacity of Celtic Park from 13,300 to 16,120. The project included the following:

- Construction of a new 3,500 seat covered stand at the Lone Moor side of the venue;
- Construction of a new stand alone crowd control room with the provision of media facilities and a TV gantry;
- Provision of a new PA system;
- Provision of a new pitch perimeter fence/gates;
- New toilet block beside the crowd control room and the refurbishment of existing toilets at the Lone Moor side of the venue; and
- Construction of three new exit gates for emergency purposes plus resurfacing of uneven areas at the Lone Moor side of the ground.

The official opening of Celtic Park took place on 24 May 2009 with the Ulster Senior Football Championship Quarter Final between Derry and Monaghan. Sports Council Chair Dominic Walsh took part in the official opening ceremony along with other distinguished guests from the Ulster Council, Club Derry and Derry City Council, in front of approximately 12,000 spectators.

#### 2. IRFU – Ravenhill Ground, Belfast

IRFU Ulster Branch secured £1.2m towards the construction of a new stand at the Mount Merrion side of Ravenhill.

The project has had a considerable impact on the spectator safety and comfort at the venue which consolidated and increased the safe capacity of Ravenhill from 8,300 to 9,565.

The new stand consisted of replacing existing deficient terracing for 3,854 people immediately in front of the new stand, 20 hospitality boxes on the first floor (funded by IRFU only) to cater for 278 people plus additional seating on the ground floor for 271 people. New toilet facilities for men, women and people with a disability were constructed in the undercroft of the new stand.

The new stand at Ravenhill was officially opened by the First Minister, Peter Robinson, and Sports Council Vice-Chair Alan Money Penny at Ulster's Heineken Cup Pool game against Bath on 9 October 2009. Thanks to an additional temporary stand for the game, nearly 11,000 spectators turned out to support an Ulster victory on the official opening of their new state of the art stand.

#### *1.6 Facilities*

Over the last year the Facilities Unit successfully developed and published the Active Places Research Report 2009, 'Bridging the Gap'. This document was developed to provide an evidence base that will inform the strategic development of sports facilities in Northern Ireland. The Facilities Team has extensively promoted Bridging the Gap to the key facility providers and have generated the support of the District Councils, and particularly the Chief Leisure Officers Association.

During the last year the Facilities Unit has also been encouraged by an increase in communication between Sports Council and the Department of Education. On a number of occasions the Department of Education has offered Sports Council the opportunity to comment on the technical specification of new build projects.

In more recent months the Facilities Unit has successfully completed a preliminary venue audit to identify potential sporting venues for 2013 World Police and Fire Games. This included a mapping exercise and the identification of preferred facilities.

Also in 2009-10, the Facilities Team approved some major redevelopments to the Active Places NI website. These changes will effectively improve the manner in which users interact with the website.

## *1.7 Safety of Sports Grounds*

The Safety of Sports Grounds (NI) Order 2006 was enacted in February 2006. The purpose of this legislation is to improve safety arrangements at larger sporting venues in Northern Ireland. Regulations designating 30 sports grounds in Northern Ireland commenced on 3 December 2009.

Sports Council is assisting District Councils in the process of drafting Safety Certificates and has issued four Guidance Notes to District Councils to assist in the Safety Certification process. District Councils will issue safety certificates for the designated sports grounds in August 2010. They will state the safe capacity of the venue/parts of the venue and will contain terms and conditions to secure the reasonable safety of spectators.

Sports Council has also issued Guidance on Safety Management documentation to the operators of designated Sports Grounds to assist them in drafting documents required by the District Councils to assess the 'S' factor. Sports Council has established a Lead Officer Group for District Council officers involved in the Safety Certification process to provide advice and guidance.

Sports Council has provided a Safety Officer Training Programme for the Safety Officers from the 30 Sports Grounds designated under the provisions of the Safety of Sports Grounds (Northern Ireland) Order 2006. To date three modules have been delivered, along with two presentations by Sports Council staff. Sports Council also coordinated steward training to improve safety management arrangements at designated Sports Grounds. 276 stewards received training in the spring of 2010.

## *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.

Sports Council's Performance Sport Team works to bring about an environment that will enable athletes to improve athletic performance.

### *2.1 Medal Achievements*

During the period 2009-10, 45 medals were won by athletes directly or indirectly supported by Sports Council, in a range of Commonwealth, European and World level events. These are listed below by sport:

<b>Sport</b>	<b>Athlete/Team</b>	<b>Event</b>	<b>Medal</b>
Archery	Mark Nesbitt	World Youth Archery Championships (July 2009)	<b>Silver (Team)</b>
		European Field Archery Competition (August 2009)	<b>Silver</b>
	Karl Watson	2009 Euronations (July)	<b>Bronze</b>
	Robert Mallon	2009 European Junior Field Championship	<b>Silver</b>
Athletics	Ciara Mageean	2009 European Youth Olympics	<b>Gold</b>
		2009 World Youth Championships	<b>Silver</b>
	Joanna Mills	2009 European Youth Olympics	<b>Silver</b>
		2009 European Youth Olympics	<b>Bronze</b>
		Miriam Blasco Cup	<b>Gold</b>
Badminton	Niall McVeigh	2009 World Dwarf Games	<b>Gold</b>
Canoeing	NI Surf Kayaking Team	2009 World Championships	<b>Bronze</b>
	Corin King	2009 World Championships	<b>Gold</b>

Sport	Athlete/Team	Event	Medal
		2009 World Championships Junior HP Class	<b>Silver</b>
	Andy McClelland	2009 Junior World Championships	<b>Silver</b>
	Dessie McGlinchey	2009 World Championships Men's International Class	<b>Silver</b>
	Jonny Bingham	2009 World Championships Men's International Class	<b>Bronze</b>
Cycling	Connor McConvey	European Cup U23	<b>Bronze</b>
	Wendy Houvenaghel	World Track Championships – Individual pursuit	<b>Silver</b>
		World Track Championships – Team pursuit	<b>Silver</b>
		Manchester World Cup – Individual Pursuit Track	<b>Gold</b>
		Melbourne World Cup – Individual Pursuit Track	<b>Gold</b>
Hockey	Irish Senior Men	European B Division	<b>Gold</b>
	Irish U18 Boys	European U18 Division B	<b>Gold</b>
Ice Skating	Jenna McCorkell	NRW Trophy	<b>Bronze</b>
Judo	Lisa Kearney	IJU World Cup	<b>Silver</b>
Motor cycling	Ian Lowry	2009 Sunflower Trophy	<b>1<sup>st</sup> Placing</b>
	Eugene Lavery	Nurburbring and Imola Grand Prix	<b>2<sup>nd</sup> Placing</b>
	Jonny Rea	Nurburbring World Superbike Grand Prix	<b>1<sup>st</sup> Placing</b>
Motorsport	Kris Meeke	Inter Continental Rally Championship	<b>1<sup>st</sup> Placing</b>
Netball	NI Senior Team	Nation Cup Champions	<b>Gold</b>
Shooting	Matthew Hall/DonBaker	Commonwealth Shooting Federation (European Division)	<b>Gold</b>
	Matthew Hall	Commonwealth Shooting Federation (European Division) – Individual 50m rifle event	<b>Silver</b>
		2009 European Youth Olympic Festival	<b>Silver</b>
	David Beattie/Mervyn Morrison	Commonwealth Shooting Federation (European Division)	<b>Silver</b>
	Kirsty Barr	Commonwealth Championships (Women's Trap)	<b>Gold</b>
		Commonwealth Championships	<b>Bronze 'Badge' Match</b>
Rowing	Jonathan Mitchell	European Youth Rowing Championships	<b>Bronze</b>
Swimming	Sycerika McMahon	2009 European Youth Olympic Festival	<b>Silver</b>
		2009 European Youth Olympic Festival	<b>Bronze</b>
		2009 European Youth Olympic Festival	<b>Bronze</b>
Table Tennis	Na Lui	Luxembourg Open	<b>Silver</b>
Tennis	Anthony Sinclair	Deaf Olympics (Mixed Doubles)	<b>Gold</b>
Triathlon	Aileen Morrison	ITU Triathlon European Cup (Athlone)	<b>Silver</b>
Waterskiing	Paul Johnston	2009 Junior European Men's Championships	<b>Silver</b>
Sailing	Ryan Seaton/Matt McGovern	Australian Nationals	<b>Bronze</b>

## 2.2 *Sports Institute Northern Ireland*

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

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

When an athlete becomes a SINI athlete they have access to a high level of performance support. Each athlete is individually screened and a specific programme is tailored for their exact needs. Athletes have access to the following support services:

- Programme Planning;
- Sports Medicine;
- Performance Science;
- Strength and Conditioning; and
- Performance Skills.

SINI also delivers, in partnership with Sports Council, specific development programmes for athletes and coaches, endeavouring to build skills and gain exposure to cutting edge practice to enable the athletes and coaches to become world class.

SINI continues to deliver vital support services to a range of athletes from 23 sports including bowls, cricket, Gaelic football, hockey, judo, rugby, sailing, triathlon, and wheelchair basketball.

SINI has recruited additional staff to support service delivery to the Sports Council Performer Development Centres (PDCs). In this first phase the support focus is on Strength and Conditioning and Physiotherapy.

### 2.2.2 *SINI Residential Camp*

SINI hosted a residential camp in January 2010 for Northern Ireland's top athletes from shooting, bowls and archery. The focus of the camp was delivering under pressure and focused on both mental and physical preparation ahead of major games.

SINI created an intense and focused environment that challenged athletes and pushed them beyond their comfort zone, in order for athletes to reflect on how they operate and seek further improvement.

SINI athlete Neil Booth, who is both a silver and gold medallist at the Commonwealth Games, attended the camp and had this to say about the experience, "The weekend was excellent; it has allowed us to tap into all the different facets of what SINI does and I personally took a lot from it. We focused on mental strength and the advice was exceptional. I think the lessons we have learnt will be invaluable going into competitions."

### *2.3 Athlete Support Programme*

Sports Council's Athlete Support Programme (ASP) is an investment programme which provides essential financial support for talented sports people to develop to their full potential.

The 2009-10 period witnessed two periods of ASP awards as the programming timing was altered to suit the high performance planning of many all Ireland sports. In the period April 2009-December 2009, 44 awards were made totalling £736,314 to 35 governing bodies in support of 134 individual athletes and five squads.

For the period January 2010-December 2010, a further 43 awards have been made of up to £799,823 towards the preparation and competition programmes of 127 individual athletes and six squads.

In addition, during the period April 2009-December 2009, 33 athletes benefited from 'Living Costs' funding totalling £145,428. This funding aims to support athletes who are training on a full-time or part-time basis.

### *2.4 Investing in Performance Sport Programme*

In May 2009, Sports Council announced two-year confirmed and two-year in principle awards for the 2009 – 2013 period to 35 organisations, through the Investing in Performance Sport Programme (IIPS).

This proposed investment of up to £13,277,060, over the four-year period, is part of the broader process of designing and delivering high performance sports systems in selected sports in Northern Ireland. This investment needs to be considered alongside other investment areas such as the Active Communities Programme, Athlete Support Programme, Club Accreditation, SINI, and PDCs, in order to understand the overall concept of performance system development.

The investment focus of the IIPS is as follows:

- Modernisation of governance and management practices;
- Coaching;
- Targeted participation initiatives to ensure access to quality, sustained opportunities, in particular through club structures;
- Talent identification and development systems; and
- Systems to support and further develop high performance athletes.

90% of the investment has been targeted towards growing the infrastructure of professional staff working within governing bodies and, over the past year, 80 of the proposed 106 staff that are due to be put in place have been confirmed. This is a 100% growth on the number of posts supported in the 2006-09 period and recognises the need to support volunteers in sport and build expertise with regard to business, talent, and high performance systems. The roles cover areas such as administration, business development, talent, and high performance coaching. Sports Council has also worked closely with the governing bodies to put in place new systems for monitoring to ensure that the return on this investment is clearly evidenced.

In line with the IIPS, and Sports Council's corporate outcome of encouraging 'professional, accountable and autonomous sporting organisations', Sports Council has continued to audit governing bodies. Two organisations achieved a 'reasonable' level of assurance during 2009-10; the Northern Ireland Sports Forum and the Ulster Branch Badminton Union of Ireland.

## *2.5 Talent Systems*

### *2.5.1 Talent Identification and Development*

Sports Council established a Northern Ireland Governing Body Talent Network, which includes 13 dedicated talent officer posts.

Sports Council successfully delivered specific talent projects with athletics, cricket, cycling, hockey, racquet sports, rowing, and slalom kayaking.

### *2.5.2 Clubs Development*

Sports Council launched 'Clubmark NI', a club development programme which supports the development of junior sports clubs and delivers a quality standard for junior sports clubs. Clubmark NI is a very important programme and is key to promoting increased participation and enhancing performance in sport, and most importantly starts at junior level so as to lay the most effective foundations for a lifelong enjoyment in sport.

Clubmark NI aims to develop and achieve minimum operating standards within junior clubs and is delivered in partnership with various governing bodies of sport and local authorities. To date, eight Clubmark NI endorsed accreditation schemes within governing bodies and regional consortia have been established. Sports Council also published a Club Resource Pack which supports the development of clubs by providing guidance on areas of good practice and operating standards.

### *2.5.3 Coaching Development*

Sports Council produced a Coaching Delivery Plan 2009-13 aimed at providing an operational framework which would define a clear direction for the development of coaching, taking into account North-South and West-East support mechanisms and to identify local, regional and national priorities, key tasks, resources, and partners involved.

Following on from this Sports Council worked with the individual sports of athletics, canoeing, cricket, Gaelic games, hockey, orienteering, and rugby, in the production of coaching delivery plans for their sport, aligned to their Investing in Performance Sport award.

Sports Council established a Northern Ireland Coaching Network involving coaching development staff from 13 IIPS sports, local authority and further education/higher education.

In partnership with sports coach UK and the Southern Sports Partnership, Sports Council piloted an Emerging Performance Coach Programme. This initiative was designed to meet the individual needs of coaches beginning their journey in the high-performance arena. Each coach completed a training and needs analysis process which led to the production of individual Personal Development Plans. These are now being implemented via the delivery of generic and individual training opportunities.

Sports Council negotiated an agreement with sports coach UK enabling tutor and assessor courses to be hosted generically within Northern Ireland to ensure that those sports who are in a position of readiness to deliver the United Kingdom Coaching Certificate have access to local training opportunities.

#### *2.5.4 Practitioner Development Programme*

The Practitioner Development Programme (PDP) is a Sports Council funded programme that aims to produce the next generation of coaches, scientists and medics for the Northern Ireland sporting performance system. Northern Ireland currently has a shortage in individuals capable of supporting significant improvements in athlete performance.

The PDP programme is modeled on the highly successful fast-track programmes used by UK Sport to assemble their current batch of coaches and practitioners.

During 2009-10, 13 sports Practitioners took part in this exciting programme, with participants varying from coaches to sports physiotherapist and sports scientists.

#### *2.5.5 Performer Development Centres*

Sports Council, in partnership with SINI, has developed three Performer Development Centres (PDCs) for the next generation of elite athletes in Northern Ireland.

The purpose of these centres is to refine and improve current talent development systems and structures by bridging the gap between governing body programmes and the work of SINI.

The PDCs provide support services to some of Northern Ireland's aspiring sporting stars within Olympic and Commonwealth sports. Athletes will be able to access the core services of strength and conditioning, and physiotherapy; in addition elements of performance planning and performance lifestyle will be integrated into the athlete's programme.

#### *2.5.6 Anti-Doping*

With the run up to the Commonwealth Games in Delhi in October and looking ahead to the London 2012 Olympic and Paralympic Games, awareness of drugs in sport has never been more relevant. As such, Sports Council launched its Anti-Doping initiative 'Pure Winner'. The initiative, endorsed by the World Anti-Doping Agency (WADA), has been established to educate and inform athletes and athlete support personnel about key issues concerning doping in sport in order for athletes to prepare and succeed in competition.

Sports Council is committed to drug-free sport and the primary goal for the Pure Winner education programme is to protect the spirit of sport, while at the same time enforcing integrity, fairness, equity and respect: the values essential to success in sport.

### *3.0 Sporting Events*

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 Belfast City Marathon*

The 2009 Belfast City Marathon was a huge success – with a record-breaking 17,500 runners taking to the streets of Belfast, making the occasion the biggest mass participation sports event in the Northern Ireland sports event calendar. John Mutai won the Belfast Marathon for the third year in a row finishing with a time of 2:17:34. The women's race also saw a previous winner taking the honours, as 2006 winner Joyce Kandia reclaimed her title.

There was a prize of £1,000 for the first local runner to finish and Willowfield Harrier Alan McCullough picked up the cheque after finishing in 5<sup>th</sup> place in 2:33:09.

### *3.2 Runher*

From eight to 70, from absolute beginners to an Olympic medallist, they ran in their hundreds in Belfast's second Runher celebration of fitness.

The woman-only event took place at CIYMS rugby club in east Belfast in perfect dry conditions - and the streets were lined with family and friends of the 1,020 women taking part in 5km and 10km runs to raise money for children's cancer charity Clic Sargent.

### *3.3 Ulster Elite Boxing Championships*

In 2009 Sports Council came onboard as the title sponsor of the Ulster Elite Boxing Championships as part of a three-year deal.

Events in 2009 and 2010 saw Ulster's brightest amateur talent going head-to-head in a total of 10 contests ranging from the Flyweight category through to Super Heavyweight.

In 2010 there were a range of Sports Council supported boxers in the finals and they provided a very talented performance. In the Bantamweight division, Ryan Lindberg won his 5th Ulster title in a row, and Eamonn O'Kane picked up another Middleweight title. Paddy Barnes won a walkover in the Light-fly decider, while Cathal McMonagle triumphed in the Super-heavyweights.

### *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 Unit 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 Policy Planning and Research*

##### *4.1.1 Research*

Sports Council, in partnership with The Department of Culture, Arts and Leisure (DCAL), has developed a Research Strategy 2008-12 (Research Matters: An evidence base for Sport 2008-12) to inform Sports Council officers, members, and key partners on the future development and direction of research and evaluation over the next four years and to strengthen the evidence base of decision making in sport.

Research Matters will enable Sports Council to continue to meet its strategic objectives as well as the plans and priorities for sport as outlined in Sport Matters.

In 2009-10, two key pieces of research have been commissioned:

#### *1. Sport and Physical Activity Participation Survey (SAPAS)*

Sport Matters acknowledges the need for:

- A robust monitoring and evaluation framework to provide the evidence base that will identify baselines and track progress towards the longer term vision of the strategy;
- A co-ordinated approach to research in sport and physical recreation so that the government of Northern Ireland and the wider community have access to robust and reliable information; and
- Consistent approaches to data collection, analysis and evaluation.

In particular, the strategy contains a specific target that relates to the survey:

“By 2009, to have agreed and commenced implementation of a revised research framework for participation rates that is cognisant of the recommendations of the Chief Medical Officers in the UK”.

The overall aim of the survey is ‘To provide statistically robust data on participation, club membership, volunteering, coaching attitudes to sport and spectating amongst a representative sample of Northern Ireland adults (16+) in order to reliably enhance our understanding of sport and physical activity patterns and determinants across the population’. The project is currently at fieldwork stage with a final report expected in November 2010.

A key challenge for Sports Council is establishing a robust research, monitoring and evaluation framework. Not only will this provide the evidence base that will identify and inform baselines, but it will also be instrumental in measuring progress towards the longer term vision of Sports Council Corporate Plan 2008-11 and Sports Council’s contribution to the targets set within Sport Matters. This is seen as a priority for future business plans.

## 2. Coaching Workforce Survey

In 2009, a Project Steering Group, involving Sports Council, DCAL, Coaching Ireland, Volunteer Development Agency, and SkillsActive was formed to agree a collaborative and coordinated approach to establishing a strong evidence base on which to make strategic and operative decisions concerning the coaching workforce in Northern Ireland.

Currently there is no systematic data collection mechanism in place in Northern Ireland to quantify accurately the size of the coaching workforce or to provide detail on its structure. A number of disparate systems exist (operated by some governing bodies, district councils, education and library boards) but these are of variable quality, coverage is in some cases incomplete, and some of this work is in an early stage of development. The research will nonetheless use any existing data as appropriate, subject to it being of suitable quality.

The main aim of the survey is to undertake a data collection exercise and focus groups with individual coaches exploring the provision of coaching on an all island basis.

The main objectives are:

- To undertake a baseline audit of existing information held on coaches and coaching by partners and coaching managers;
- To collect and collate the evidence to provide as detailed a picture as possible about coaches and coaching;
- To identify skills gaps and shortages in the coaching workforce;
- To identify what coach education and development opportunities are provided to coaches;
- To identify barriers and issues in coaching development;
- To undertake focus groups to assess the demand and anticipated changes to coaching roles, whether paid or voluntary; and
- To explore the increased reliance on volunteer coaches in the context of sports clubs, where the organisation of the workforce and hierarchy of coaching roles can differ.

The project is currently at fieldwork stage with a final report expected in October 2010.

These surveys are integral within Sports Council’s Research Matters document, and have been identified as a key areas of work in Sports Council’s Corporate Plan 2008-11 and Business Plan 2009-10.

### 3. PE Survey

Sports Council, with assistance from DCAL's Statistics and Research Branch, devised a questionnaire that would help establish a baseline for the amount of time-tabled PE in primary schools in Northern Ireland during the 2008-09 academic year.

Sport Matters recommends that government pursue a target of two hours of curricular PE and sport per week. Sport Matters further recommends establishing a baseline for the number of children participating in a minimum of two hours quality PE a week as this will assist in strengthening the link between research and policy, and provide the evidence-base to inform subsequent investment programmes.

In May 2009, all 873 primary schools listed by the Department of Education for Northern Ireland were asked to complete a survey.

The questionnaire asked schools to record how much time was devoted to curricular PE per week within each year group 1-7. Schools were advised that structured/un-structured play, break/lunch-time initiatives and extra-curricular activities should be excluded.

A total of 419 responses were returned. This represented a return rate of 48%. Key Findings included:

- The overall average time allocated to curricular PE in primary schools in Northern Ireland during the academic year 2008–09 was 89 minutes;
- Only 17% of the primary schools that took part in the survey delivered the recommended 2 hours of PE or more - the average time for these 73 schools was 137 minutes; and
- Overall, the length of time decreased from years 1-3 and then increased from years 4-7.

### 4. Monitoring

During 2009-10 the Policy, Planning and Research Team were instrumental in the development of two monitoring systems for its capital and revenue programmes:

During 2009-10 the Policy, Planning and Research Team were responsible for the development of a new Grants Monitoring Policy for the organisation. The overarching aim of this policy is to outline the approach to monitoring within Sports Council and to document the responsibilities of all stakeholders.

The Facilities Interactive Monitoring System (FIMS) - designed to incorporate booking software with access control hardware to capture usage information at large capital projects (Building Sport Programme). The system obtains profile information (such as age, gender, ethnicity, etc.) via a proximity fob which is used to gain entry to a particular part of a facility (such as a fitness suite or gymnasium). In addition, booking software captures similar profile information about groups of users who may book a sports hall or 3G pitch. All participation information is then totalled and delivered electronically to Sports Council for inclusion within the annual business plan.

An online monitoring system was also developed to measure the performance of Sports Council's two main revenue based programmes, the Investing in Performance Sport and Active Communities Programmes. The Performance Information Management System (PIMS) - used to monitor the IIPS programme and was developed in line with Sports Council's new monitoring policy. Details of coach qualifications, participants involved in governing body initiatives and affiliated clubs are added to the system and stored in a secure database at the House of Sport. The database is queried on a quarterly and annual basis to inform Sports Council of the programme's progress and populate the annual business plans and quarterly reviews.

*5.0 Facts And Figures 2009-10*

- 34 - Projects across Northern Ireland invested in by the four-year Sport In Our Community programme;
- 106 - New coaching posts will be created by Active Communities in 2010;
- 162 - Clubs/organisations were successful in the first round of awards for Awards for Sport;
- 30 - Sports Grounds designated under the provisions of the Safety of Sport Grounds (Northern Ireland) Order 2006;
- 276 - Stewards received training to improve safety management;
- 45 - Medals were won by athletes in a range of Commonwealth, European and World level events;
- 87 - Athletes/squads supported through the Athlete Support Programme;
- 35 - Organisations supported through the Investment in Performance Sport Programme;
- 8 - Clubmark NI endorsed accreditation schemes within governing bodies and regional consortia have been established; and
- 13 - Sports practitioners took part in the Practitioner Development Programme.

**Significant Changes in Non Current Assets**

The movement on non-current assets is set out in note 10 to the financial statements. The net book value of assets increased from £1,894,449 (restated) to £6,163,215, following a number of new additions and specifically work carried out on the redevelopment of Tollymore National Outdoor Mountain Centre. Depreciation charge for the year was £282,553. The revaluation reserve on the old centre is being written off over 5 years thus reducing the depreciation charge to £225,993. A number of assets were also disposed of during the year due to obsolescence.

**Retained Funds at the Year End**

The general reserve showed a deficit of £3,090,688 (restated 2008/09: surplus £1,360,289) for the year.

**Going Concern**

The Accounts of Sports Council are produced on the going concern basis. The Sports Council is not aware of any reason to adopt a different basis.

**Events After the Reporting Period**

There have been no sheet events since the year-end that would affect the reader's understanding of these accounts.

## **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.

The audit fee for the work performed by the staff of the Comptroller and Auditor General during the reporting period, and which relates solely to the audit of these Financial Statements, was £18,500 notional costs (2008/09: £18,000 notional cost). An additional direct recharge of £1,456 occurred for work in relation to the National Fraud Initiative.

The Comptroller and Auditor General may also undertake other statutory activities that are not related to the audit of the body's Financial Statements such as Value for Money reports. No such activity took place during the year.

## **Annual Report - Remuneration Report**

### **Remuneration Policy**

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

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).

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 pay award for staff is comprised of two elements; a base pay uplift and a non-consolidated bonus. Both elements are based on performance. The non-consolidated bonuses are payable to a proportion of staff as part of the annual pay award. Following confirmation of the equal pay settlement on the 20 January 2011, the pay remit 2009/10 is being finalised. Some staff members received 'Special Bonus' payments for either exceptional performance or full attendance during 2009/10.

The Chief Executive is employed on terms analogous to Senior Civil Service. He is not eligible to receive a non-consolidated bonus payment as part of the 2009/10 pay award. The pay remit for the Chief Executive is currently being prepared for submission to DCAL.

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 Appointed on 1 January 2008</b>
Cllr J Rodgers (Chairman)
Mr D O'Connor
Ms U Duncan
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.

### **Audited Remuneration and Pension Entitlements – Senior Staff**

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

#### **Audited Information**

<i>Employee</i>	<b>2009-10</b>		<b>2008-09</b>	
	<b>Salary £'000</b>	<b>Benefits in kind £</b>	<b>Salary £'000</b>	<b>Benefits in kind £</b>
Eamonn McCartan <i>Chief Executive</i>	100-105 (includes salary arrears from prior years)	3,542 (includes arrears from prior years)	105-110 # (includes salary arrears from prior years)	154
Shaun Ogle <i>Director of Performance</i>	60-65	154	60-65	154
Nick Harkness <i>Director of Participation</i>	60-65	196	60-65	154
Andrew Sloan <i>Director of Corporate Services</i>	60-65	464	60-65	456

# The Chief Executive's salary for 2008-09 has been restated due to salary arrears.

#### *Sports Council Members Emoluments*

The Chairman received honorarium totalling £10,000 (2008/09:£10,000 restated). The Chairman's honorarium is not recharged to the Lottery Distribution Account, however in 2008/09, £3,528 (inclusive of employers' national insurance) was recharged, as there was no Vice-Chairman in position during that year. The Vice-Chairman received £1,750 in 2009/10, and this was fully 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; overtime; reserved rights to London weighting or London allowances; recruitment and retention allowances; private office allowances and any other allowance to the extent that it is subject to UK taxation and any gratia payments. This report is based on payments made by the Sports Council before any deduction of recharges to the Lottery Fund.

*Benefits in kind*

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.

The monetary value of benefits in kind covers any benefits provided by the employer and treated by the Inland Revenue as a taxable emolument. These relate to £154 for luncheon vouchers and the balance relates 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 110 employees, of which, 18 were employed for part of the year.

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 2010 the Sports Council contributed 16% of pensionable salary. The scheme is contributory with members of staff paying 5.8-7.5% of pensionable salary.

Further details on pensions are included in note 3 to the accounts.

**Audited Information**

<b>Employee</b>	Accrued pension at age 65 as at 31/3/10 and related lump sum	Real increase in pension and related lump sum at age 65	CETV at 31/3/10	CETV at 31/3/09	Real increase in CETV
	£'000s	£'000s	£'000s	£'000s	£'000s
Eamonn McCartan <i>Chief Executive</i>	35-40 plus 100-105 lump sum	2.5-5 plus 2.5-5 lump sum	833	721 *	96
Shaun Ogle <i>Director of Performance</i>	15-20 plus 50-55 lump sum	0-2.5 plus 0-2.5 lump sum	354	312	33
Nick Harkness <i>Director of Participation</i>	15-20 plus 55-60 lump sum	0-2.5 plus 0-2.5 lump sum	340	301	30
Andrew Sloan <i>Director of Corporate Services</i>	5-10 plus 25-30 lump sum	0-2.5 plus 0-2.5 lump sum	147	125	19

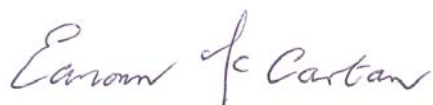
\* The Chief Executive's CETV at 31 March 2009 has been restated due to salary arrears.

*Cash Equivalent Transfer Values*

A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which disclosure applies. The figures include the value of any pension benefit in another scheme or arrangement which the individual has transferred to the NILGOSC pension arrangements. They also include any additional pension benefit accrued to the member as a result of their purchasing additional years of pension service in the scheme at their own cost. CETVs are worked out within the guidelines and framework prescribed by the Institute and Faculty of Actuaries and do not take account of any actual or potential benefits resulting from Lifetime Allowance Tax which may be due when pension benefits are taken.

*Real increase in CETV*

This reflects the increase in CETV effectively funded by the employer. It 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: 23 September 2011**

## **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 give a true and fair view of the state of affairs of the Sports Council's activities at the year-end and of its net expenditure, changes in taxpayers' equity and cash flows for the financial year.

In preparing the accounts, the principal Accounting Officer is required to:

- observe the accounts direction issued by DCAL including the relevant accounting and disclosure requirements and apply suitable accounting policies on a consistent basis;
- observe the current version of the Government Financial Reporting Manual (FReM);
- make judgments and estimates on a reasonable basis;
- state whether applicable accounting standards 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. His relevant responsibilities as Accounting Officer, including his responsibility for the propriety and regularity of the finances for which he is answerable and for the keeping of proper records and for safeguarding Sports Council's assets, are set out in the Non-Departmental Public Bodies' Accounting Officer Memorandum issued by the Northern Ireland Department of Finance and Personnel, the guidance contained within 'Managing Public Money Northern Ireland' also issued by the Department of Finance and Personnel (DFP).

## **Statement on Internal Control**

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 Managing Public Money; 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 for Culture, Arts and Leisure, DFP and the Public Service Improvement Unit of the Office of the First Minister and Deputy First Minister.

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 a Non Departmental Public Body 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 2010 and up to the date of approval of the annual report and accounts, and accords with the HM Treasury 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.

All new members of staff were taken through an extensive induction programme which includes: employment, finance and accountability arrangements. Credit checks have been introduced for any new staff appointed to a finance related position. AccessNI checks were carried out on all relevant posts.

All staff attended Section 75 Training, Environmental Management Training and Freedom of Information Training. In addition, some staff attended training on Fraud Awareness, Data Protection, Accruals, Anti-Doping and Grants Information and Financial Tracking System (GIFTS). One person was reaccredited with Prince 2.

Staff whose role involves site visits are on the Construction Skills Register (CSR).

The HR Team attended courses covering the following areas: Employment Law, Handling Grievances and Disciplinaries, Redundancy, Workplace Stress and Safeguarding Vulnerable Groups.

23 Members of the Management Team attended a Leadership Course covering Communication, Performance Management and Handling difficult internal and external decisions.

The Human Resources team underwent further training on the revised payroll package, which was primarily aimed at reducing the number of errors on the system. In addition, extensive usage of the HR System took place during this time which has resulted in more accurate reporting of figures.

Staff and a number of grant recipients were trained on Recruitment & Selection best practices in order to minimise any risk of cases being taken against the said parties.

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;
- 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;
- One staff member is being funded to undertake an MSc in Organisation Management; whilst another is being funded to undertake an LLM in Business Law; and
- The Policy Planning and Research Officer is being funded to undertake an MSc in Social Research Skills.
- One Manager is being funded to undertake an MSc in Business Improvement, whilst the other is being funded to undertake an MSc in Executive Leadership.

All new policies introduced during the year have been fully consulted on and screened for Section 75 compliance. Sports Council achieved “One to Watch” status in the Sunday Times Best Companies accreditation.

Two staff attended the “On Board Training” by the Chartered Institute of Public Finance and Accountancy covering their governance and accountability responsibilities.

## **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.

Sports Council has a corporate risk register in place which identifies the key risks facing the organisation. The corporate risk register is the culmination of ten risk management workshops from which twelve department and three directorate risk registers have been developed. These sub registers feed into and inform the corporate risk register.

This register has been developed in line with best practice and will be subject to regular review and update.

The register outlines those risks which if materialised would threaten the achievement of objectives. All risks are being managed to within an appropriate tolerance level. The key risks as detailed within the corporate risk register are:

1. Reduction in budgets;
2. Insufficient Financial Resources Due to Overspend/ Commitment;
3. Fraud (minor level);
4. Lack of Appropriate Information System Security (minor level);
5. Sub Standard Work by Third Party Suppliers;
6. Failure to Retain and Secure Appropriately Trained Staff;
7. Minor Non Compliance with Sports Council’s Policy and Procedures;
8. Minor Non Compliance with Health and Safety Regulations/Legislative Requirement;
9. Contingencies/Business Disasters; and
10. Non Achievement of Objectives.

## 2. Investment Policy

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

- Complies with the Department of 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 is 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; and
- 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.

During 2009/10 Sports Council updated the Risk Management and Monitoring Policy. These documents were approved by Council in October 2009.

An Evaluation Policy was also produced and approved by Council in December 2009. The aim of this policy is to establish a consistent approach to evaluation across the Sports Council which is relevant to all programmes, projects and policies regardless of the source, scale and type of investment. This policy should be considered in conjunction with the Sports Council Business Case Policy 2004 and complements the revised Monitoring Policy.

## 3. Conflict of Interests

The Sports Council operates a Conflict of Interest policy. The policy was updated and approved by Council in February 2010. 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. This policy covers the prevention, detection and management of fraud and / or corruption and fair dealing in matters pertaining to fraud and / or corruption. It aims to raise the awareness of fraud and its prevention and to give guidance to both the reporting of suspected fraud and how the investigation of that report will proceed.

Sports Council's Anti-Fraud and Corruption policy was updated in October 2009 to reflect revised Departmental procedures, in particular the implementation of a Memorandum of Understanding with DARD Central Investigation Service. This sets out the basic framework for the working relationship between the Northern Ireland Public Sector and PSNI for the Investigation and prosecution of suspected fraud cases.

#### 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.

DCAL 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 to ensure efficiencies are made and the harmonisation 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.

## 9. Assurance on Information Risks

Sports Council is fully committed to protecting the privacy of all individuals including staff, contractors, service users and others, by ensuring lawful use of their personal information. A Data Protection Policy was approved by Council in June 2009. The purpose of this policy is to set out how Sports Council will ensure that it complies with the provisions of the Data Protection Act 1998. The policy will be implemented and mainstreamed throughout the organisation at all levels over the coming months. There were no data related incidents identified during the financial year.

### **Review of Effectiveness**

As Accounting Officer, I 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 Report to those charged with Governance 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 2010/11 via reviewing policies and procedures, training programmes and reassessing contractual agreements.

Sports Council obtains assurances on its system of internal control through its Audit Committee. The Audit Committee met on 5 occasions during the year and received progress reports from both the Sports Council's external auditor on the financial statements and its internal auditor regarding work completed to date. The Audit Committee reported back to the Sports Council following each of its meetings.

Sports Council's internal auditor produced the annual audit assurance statement which provided a satisfactory level of assurance for the year 2009/10.

Sports Council has a risk register in place that is reviewed regularly by the Senior Management team. It is also reviewed by the Audit Committee who will update Council at the same time.

Throughout the year I obtained assurance from Senior Managers, based on information and reports produced by them. Quarterly Assurance Statements are sent to DCAL, these documents provide updates on current issues which myself and Senior Managers are addressing. I am satisfied that systems of internal control were adequate in 2009/10.

The Sports Council has a procedure in place to ensure that all losses are appropriately handled and reported to DCAL. During the year 2009/10 no losses occurred.

*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. Judicial Review

In August 2009, the High Court ruled that Sports Council acted unlawfully due to the fact that it did not consider a reduced level of award as an appropriate sanction to the late submission of an application by a grant recipient under the Elite Facilities programme. Sports Council was required to meet 75% of the legal costs of the other party.

Sports Council have subsequently reviewed the appeal to consider this issue, and concluded that a reduced award is not appropriate. The Appeals process has now been reviewed and a new process is now in place.

3. Other Grants

(a) Concern over Grant Payments – Issue 1

In 2009/10 Sports Council was advised of a concern regarding payments to one of its grant recipients. Sports Council commissioned a review of the processes and a final report was produced in December 2009 for consideration by the Department of Culture, Arts and Leisure. The report made a number of key recommendations and the following actions have been agreed to be carried out:

- Follow up verification on expenditure by third parties on behalf of the grant recipient;
- Independent audit of the grant recipient to determine a risk classification;
- Embargo placed on funding to the grant recipient until results of independent audit obtained;
- Future award payments to the grant recipient to be made in line with the new risk classification; and
- Internal audit plan to include testing of other grant recipient payments for the period which was investigated.

(b) Concern over Grant Payments – Issue 2

In 2009/10, Sports Council was advised of a concern in relation to one of its grant recipients. A review was carried out by Sports Council to determine if the concerns were valid. During the course of the review a hold was placed on payments to the grant recipient.

The conclusion of the review found that there was no evidence of fraud, but the review did highlight an overpayment of £315 and in one instance an invoice had been tampered with, albeit no benefit was incurred by the governing body, nor was there any intention to distort the facts.

Subsequently, the hold on payments has been lifted; a governance re-audit will be conducted; and payments are being made on a retrospective basis until the governance audit is finalised.

(c) Equipment Repossession

In 2010/11, allegations regarding the misuse of public funds were made to another funder, concerning an organisation which Sports Council also provide funding to. The Community Relations Council in July 2010 alerted Sport Council to this matter.

The grant recipient was supported by Sports Council under its Awards for Sport Programme and received funding of £7,354.99 for the purchase of gym equipment. An investigation was conducted by Sports Council which did not uncover any evidence of fraud by the grant recipient in its administration of the Sports Council grant. However, the organisation is now the subject of a police investigation into its handling of other public funds. As this calls into question the future sustainability and continuance of the organisation, Sports Council has deemed it appropriate to repossess all funded equipment pending the outcome of the police investigation.

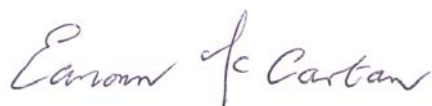
(d) Small Claims Court

In 2009/10 a small claims action for £1,552.60 was taken against Sports Council relating to a debt incurred by Coaching Northern Ireland Ltd. Sports Council received permission from DCAL to settle the claim at £1,300 in April 2010.

4. Priority 1 Internal Control Issues

There were no Priority 1 items in 2009/10 Internal Audit Annual Assurance Statement for Sports Council, however the Internal Auditor review of IT at SINI provided limited assurance rating due to concerns on areas such as contingency arrangements, access control and backups. Management will look into reviewing these areas to ensure that appropriate arrangements are in place.

In the forthcoming year, it is also identified that there is a higher risk of fraud due to the current economic climate. The Fraud policy will be reviewed and staff provided with up to date training.



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

**Date: 23 September 2011**

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

I certify that I have audited the financial statements of Sports Council for Northern Ireland for the year ended 31 March 2010 under the under the Recreation and Youth Service (Northern Ireland) Order 1986. These comprise the Net Expenditure Account, the Statement of Financial Position, the Statement of Cash Flows, the Statement of Changes in Taxpayers' Equity and the related notes. These financial statements have been prepared under the accounting policies set out within them. I have also audited the information in the Remuneration Report that is described in that report as having been audited.

### **Respective responsibilities of the Council, Accounting Officer and auditor**

As explained more fully in the Statement of the Council's and Accounting Officer's Responsibilities, the Accounting Officer is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. My responsibility is to audit the financial statements in accordance with the Recreation and Youth Service (Northern Ireland) Order 1986. I conducted my audit in accordance with International Standards on Auditing (UK and Ireland). Those standards require me and my staff to comply with the Auditing Practices Board's Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Sports Council for Northern Ireland's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Sports Council for Northern Ireland; and the overall presentation of the financial statements. In addition I read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements. If I become aware of any apparent material misstatements or inconsistencies I consider the implications for my certificate.

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

### **Opinion on Regularity**

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

### **Opinion on financial statements**

In my opinion:

- the financial statements give a true and fair view, of the state of Sports Council for Northern Ireland's affairs as at 31 March 2010 and of its net expenditure, changes in taxpayers' equity and cash flows for the year then ended; and
- the financial statements have been properly prepared in accordance the Recreation and Youth Service (Northern Ireland) Order 1986 and Department of Culture, Arts and Leisure directions issued thereunder.

### **Opinion on other matters**

In my opinion:

- the part of the Remuneration Report to be audited has been properly prepared in accordance with Department of Culture, Arts and Leisure directions issued under by the Recreation and Youth Service (Northern Ireland) Order 1986; and
- the information given in Chairman's Foreword, Chief Executive's Statement, Background Information and Management Commentary for the financial year for which the financial statements are prepared is consistent with the financial statements.

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

I have nothing to report in respect of the following matters which I report to you if, in my opinion:

- adequate accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- I have not received all of the information and explanations I require for my audit; or
- the Statement on Internal Control does not reflect compliance with Department of Finance and Personnel's guidance.

### **Report**

I have no observations to make on these financial statements.



**KJ Donnelly**  
*Comptroller and Auditor General*  
*Northern Ireland Audit Office*  
*106 University Street*  
*Belfast*  
*BT7 IEU*

*3 October 2011*

# **Net Expenditure Account** **For the year ended 31 March 2010**

	Notes	2010 SCNI	2010 SINI	2010 GROUP	2009 SCNI Restated	2009 SINI Restated	2009 GROUP Restated
<b>Expenditure</b>		£	£	£	£	£	£
Staff Costs	3a	3,971,026	465,753	4,436,779	3,513,899	393,829	3,907,728
Depreciation and Amortisation	10	235,095	47,458	282,553	214,001	26,152	240,153
Release of Revaluation Reserve		(56,560)	-	(56,560)	(26,750)	-	(26,750)
Grants	4	20,520,143	-	20,520,143	17,895,499	-	17,895,499
Other Operating Costs	4	2,834,515	240,762	3,075,277	2,590,090	250,516	2,840,606
Notional Costs	5	(60,870)	(7,595)	(68,465)	17,160	(1,672)	15,488
<b>Total Expenditure</b>		<b>27,443,349</b>	<b>746,378</b>	<b>28,189,727</b>	<b>24,203,899</b>	<b>668,825</b>	<b>24,872,724</b>
<b>Income</b>							
Grant from Other Activities	6	-	756,973	756,973	-	670,994	670,994
Other Income	7	1,017,048	-	1,017,048	1,119,537	1,503	1,121,040
<b>Total Income</b>		<b>1,017,048</b>	<b>756,973</b>	<b>1,774,021</b>	<b>1,119,537</b>	<b>672,497</b>	<b>1,792,034</b>
<b>Net Expenditure</b>		<b>(26,426,301)</b>	<b>10,595</b>	<b>(26,415,706)</b>	<b>(23,084,362)</b>	<b>3,672</b>	<b>(23,080,690)</b>
Interest Receivable	8	5,281	-	5,281	17,432	-	17,432
<b>Net Expenditure After Interest</b>		<b>(26,421,020)</b>	<b>10,595</b>	<b>(26,410,425)</b>	<b>(23,066,930)</b>	<b>3,672</b>	<b>(23,063,258)</b>
Corporation Tax	9	(966)	-	(966)	(3,661)	-	(3,661)
<b>Net Expenditure After Tax</b>		<b>(26,421,986)</b>	<b>10,595</b>	<b>(26,411,391)</b>	<b>(23,070,591)</b>	<b>3,672</b>	<b>(23,066,919)</b>
Notional Costs	5	(60,870)	(7,595)	(68,465)	17,160	(1,672)	15,488
<b>Net Expenditure After Notional Costs</b>		<b>(26,482,856)</b>	<b>3,000</b>	<b>(26,479,856)</b>	<b>(23,053,431)</b>	<b>2,000</b>	<b>(23,051,431)</b>
<b>Other Comprehensive Expenditure</b>							
Actuarial Loss	3b	(4,204,000)	(251,000)	(4,455,000)	(1,362,000)	(92,500)	(1,454,500)
<b>Net Comprehensive Expenditure For the Year</b>		<b>(30,686,856)</b>	<b>(248,000)</b>	<b>(30,934,856)</b>	<b>(24,415,431)</b>	<b>(90,500)</b>	<b>(24,505,931)</b>

*Figures for 2008/09 have been restated in line with International Financial Reporting Standards.  
All amounts above relate to continuing activities.*

The notes on pages 47 to 69 form part of these accounts.

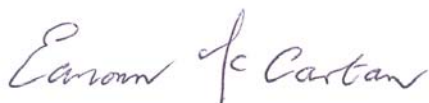
## Statement of Financial Position as at 31 March 2010

	Notes	2010 SCNI	2010 SINI	2010 GROUP	2009 SCNI Restated	2009 GROUP Restated	2008 SCNI Restated	2008 GROUP Restated
		£	£	£	£	£	£	£
<b>Non-Current Assets</b>								
Property, plant and equipment	10a	5,702,222	178,255	5,880,477	1,591,678	1,736,512	582,728	616,198
Intangible assets	10b	268,050	14,688	282,738	151,864	157,937	47,740	51,301
<b>Total non-current assets</b>		<b>5,970,272</b>	<b>192,943</b>	<b>6,163,215</b>	<b>1,743,542</b>	<b>1,894,449</b>	<b>630,468</b>	<b>667,499</b>
<b>Current Assets</b>								
Inventories	11	13	-	13	10	10	33	33
Trade and other receivables	12	436,486	13,615	450,101	1,885,579	2,027,641	648,103	712,353
Cash and cash equivalents	13	629,389	90,155	719,544	442,920	469,706	1,100,200	1,150,385
<b>Total current assets</b>		<b>1,065,888</b>	<b>103,770</b>	<b>1,169,658</b>	<b>2,328,509</b>	<b>2,497,357</b>	<b>1,748,336</b>	<b>1,862,771</b>
<b>Current Liabilities</b>								
Trade and other payables	14	(1,703,868)	(296,713)	(2,000,581)	(769,586)	(1,089,341)	(304,593)	(456,059)
Grant Commitments	14	(3,873,284)	-	(3,873,284)	(920,875)	(920,875)	(1,632,805)	(1,632,805)
<b>Total Current Liabilities</b>		<b>(5,577,152)</b>	<b>(296,713)</b>	<b>(5,873,865)</b>	<b>(1,690,461)</b>	<b>(2,010,216)</b>	<b>(1,937,398)</b>	<b>(2,088,864)</b>
Net Current Assets		(4,511,264)	(192,943)	(4,704,207)	638,048	487,141	(189,062)	(226,093)
<b>Non-current assets plus net current assets</b>		<b>1,459,008</b>	<b>-</b>	<b>1,459,008</b>	<b>2,381,590</b>	<b>2,381,590</b>	<b>441,406</b>	<b>441,406</b>
<b>Non-current Liabilities</b>								
Provisions - Pension Liability	15	(6,299,000)	(341,000)	(6,640,000)	(2,077,000)	(2,170,000)	(794,000)	(796,500)
<b>Assets Less Liabilities</b>		<b>(4,839,992)</b>	<b>(341,000)</b>	<b>(5,180,992)</b>	<b>304,590</b>	<b>211,590</b>	<b>(352,594)</b>	<b>(355,094)</b>

**Statement of Financial Position (continued)**  
**as at 31 March 2010**

	Notes	2010 SCNI	2010 SINI	2010 GROUP	2009 SCNI Restated	2009 GROUP Restated	2008 SCNI Restated	2008 GROUP Restated
		£	£	£	£	£	£	£
<b>Equity</b>								
Deferred Capital	16	4,470,260	-	4,470,260	967,800	967,800	267,800	267,800
<b>Reserves</b>								
General Reserve	16	(3,090,688)	-	(3,090,688)	1,360,289	1,360,289	93,355	93,355
Pension Reserve	16	(6,299,000)	(341,000)	(6,640,000)	(2,077,000)	(2,170,000)	(794,000)	(796,500)
Revaluation Reserve	16	79,436	-	79,436	53,501	53,501	80,251	80,251
<b>Total Reserves</b>		<b>(4,839,992)</b>	<b>(341,000)</b>	<b>(5,180,992)</b>	<b>304,590</b>	<b>211,590</b>	<b>(352,594)</b>	<b>(355,094)</b>

*Figures for 2008/09 and 2007/08 have been restated in line with International Financial Reporting Standards.*



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

**Date: 23 September 2011**

The notes on pages 47 to 69 form part of these accounts.

## Statement of Cash Flows For the Year Ended 31 March 2010

	2010 SCNI	2010 SINI	2010 GROUP	2009 SCNI Restated	2009 GROUP Restated
	£	£	£	£	£
<b>Cash Flow From Operating Activities</b>	<b>(26,426,301)</b>	<b>10,595</b>	<b>(26,415,706)</b>	<b>(23,084,362)</b>	<b>(23,080,690)</b>
Depreciation and Amortisation	235,095	47,458	282,553	214,001	240,153
Permanent Diminution	-	-	-	4,574	4,574
Revaluation Reserve	(56,560)	-	(56,560)	(26,750)	(26,750)
Profit on Disposal of Assets	13,565	1,272	14,837	(11,253)	(11,253)
Notional Cost of Capital	(60,870)	(7,595)	(68,465)	17,160	15,488
Decrease/(Increase) in Inventories	(3)	-	(3)	23	23
Decrease/(Increase) in Trade and Other Receivables	1,449,094	128,447	1,577,541	(1,237,477)	(1,315,289)
Increase/(Decrease) in Trade Payables	3,886,690	(23,042)	3,863,648	(246,937)	(78,648)
Increase/(Decrease) in Pension Fund Payable	18,000	(3,000)	15,000	(79,000)	(81,000)
<b>Net Cash (Outflow)/Inflow From Operating Activities</b>	<b>(20,941,290)</b>	<b>154,135</b>	<b>(20,787,155)</b>	<b>(24,450,021)</b>	<b>(24,333,392)</b>
<b>Cash Flows From Investing Activities</b>					
Interest Received	5,281	-	5,281	17,432	17,432
Tax Paid	(966)	-	(966)	(3,661)	(3,661)
Purchase of property, plant and equipment	(4,253,556)	(78,749)	(4,332,305)	(1,334,141)	(1,474,169)
Receipts from Disposal of non current assets	-	(12,017)	(12,017)	13,746	13,746
<b>Net Cash Outflow From Investing Activities</b>	<b>(4,249,241)</b>	<b>(90,766)</b>	<b>(4,340,007)</b>	<b>(1,306,624)</b>	<b>(1,446,652)</b>
<b>Cash Flows From Financing Activities</b>					
Grants from DCAL	25,377,000	-	25,377,000	24,184,000	24,184,000
Grants from DCMS	-	-	-	915,365	915,365
<b>Net Cash Flow Infrom Financing Activities</b>	<b>25,377,000</b>	<b>-</b>	<b>25,377,000</b>	<b>25,099,365</b>	<b>25,099,365</b>
<b>Net Increase/(Decrease) in Cash and Cash Equivalents in the Year</b>	<b>186,469</b>	<b>63,369</b>	<b>249,838</b>	<b>(657,280)</b>	<b>(680,679)</b>
<b>Cash and Cash Equivalents at the Beginning of the Year</b>	<b>442,920</b>	<b>26,786</b>	<b>469,706</b>	<b>1,100,200</b>	<b>1,150,385</b>
<b>Cash and Cash Equivalents at the End of the Year</b>	<b>629,389</b>	<b>90,155</b>	<b>719,544</b>	<b>442,920</b>	<b>469,706</b>

*Figures for 2008/09 have been restated in line with International Financial Reporting Standards.*  
The notes on pages 47 to 69 form part of these accounts.

**Statement of Changes in Taxpayers' Equity****For the Year Ended 31 March 2010**

	Deferred Capital Reserve £	General Reserve £	Pension Reserve £	Revaluation Reserve £	Total Reserves £	Group Reserves £
<b>Balance at 1 April 2008</b>	<b>267,800</b>	<b>93,355</b>	<b>(794,000)</b>	<b>80,251</b>	<b>(352,594)</b>	<b>(355,094)</b>
<b>Changes in Taxpayers' Equity for 2008-09</b>						
Release of Revaluation Reserve	-	-	-	(26,750)	(26,750)	(26,750)
Actuarial Loss	-	-	(1,362,000)	-	(1,362,000)	(1,454,500)
Retained Deficit	-	(23,132,431)	79,000	-	(23,053,431)	(23,051,431)
<b>Total recognised income and expense 2008-09</b>	<b>-</b>	<b>(23,132,431)</b>	<b>(1,283,000)</b>	<b>(26,750)</b>	<b>(24,442,181)</b>	<b>(24,532,681)</b>
<b>Grant Income</b>						
Grant from DCAL	700,000	23,484,000	-	-	24,184,000	24,184,000
Grant from DCMS	-	915,365	-	-	915,365	915,365
<b>Total Grant Income</b>	<b>700,000</b>	<b>24,399,365</b>	<b>-</b>	<b>-</b>	<b>25,099,365</b>	<b>25,099,365</b>
<b>Balance at 31 March 2009</b>	<b>967,800</b>	<b>1,360,289</b>	<b>(2,077,000)</b>	<b>53,501</b>	<b>304,590</b>	<b>211,590</b>
<b>Changes in Taxpayers' Equity for 2009-10</b>						
Net Gain on Revaluation of Non-Current Assets	-	-	-	79,436	79,436	79,436
Release of Revaluation Reserve	-	-	-	(53,501)	(53,501)	(53,501)
Unrealised Gain on Non-Current Assets	-	139,339	-	-	139,339	139,339
Actuarial Loss	-	-	(4,204,000)	-	(4,204,000)	(4,455,000)
Retained Deficit	-	(26,464,856)	(18,000)	-	(26,482,856)	(26,479,856)
<b>Total recognised income and expense 2009-10</b>	<b>-</b>	<b>(26,325,517)</b>	<b>(4,222,000)</b>	<b>25,935</b>	<b>(30,521,582)</b>	<b>(30,769,582)</b>
<b>Grant Income</b>						
Grant from DCAL	3,502,460	21,874,540	-	-	25,377,000	25,377,000
<b>Total Grant Income</b>	<b>3,502,460</b>	<b>21,874,540</b>	<b>-</b>	<b>-</b>	<b>25,377,000</b>	<b>25,377,000</b>
<b>Balance at 31 March 2010</b>	<b>4,470,260</b>	<b>(3,090,688)</b>	<b>(6,299,000)</b>	<b>79,436</b>	<b>(4,839,992)</b>	<b>(5,180,992)</b>

## **Notes to the Accounts**

### **For the year ended 31 March 2010**

#### **1. Statement of Accounting Policies**

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

The financial statements have been prepared in accordance with the requirements of the 2009-2010 Government Financial Reporting Manual (FReM) issued by HM Treasury. The accounting policies contained in the FReM apply International Financial Reporting Standards (IFRS) as adapted or interpreted for the public sector context.

Where FReM 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 Act 2006, 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 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 DCAL for the redevelopment of Tollymore National Outdoor Mountain Centre is transferred to a deferred government grant account. This will be released to the net expenditure account over the expected useful life of the asset.

Other income sources are accounted for on a receivable basis and matched to the expenditure that it finances. This income is taken to the net expenditure account 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 Sports Council Lottery Distribution Fund. This comprises of recharges for administrative costs and salaries incurred by Sports Council from which the Lottery Fund has benefited directly.

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

Grants awarded to organisations and individuals are charged to the Net Expenditure Account in the year to which they relate. Any amounts of unpaid grant at 31 March are included as liabilities in the Statement of Financial Position.

#### *1.5 Research and Development*

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

#### *1.6 Property, Plant and Equipment and Intangible Assets*

The Sports Council for Northern Ireland applied a capitalisation limit of £1,000 to individual items. Items below the £1,000 threshold were charged directly to the Net Expenditure Account.

#### *1.7 Depreciation and Amortisation*

Depreciation/amortisation has been provided using the straight line method so as to write off each asset over its estimated useful life. Depreciation/amortisation is charged from the month acquired/coming into use, to the month in which it is disposed.

Assets are depreciated over their useful lives as follows: -	<b>2010</b>	<b>2009</b>	<b>2008</b>
Buildings	5 Years	5 Years	5 Years
Computer Equipment	4-10 Years	3 Years	3 Years
Furniture and Fittings	2-25 Years	5 Years	5 Years
Specialist Sports Equipment	7 Years	5 Years	5 Years
Motor Vehicles	4-5 Years	4 Years	4 Years
Intangible Assets – Computer Equipment	2-10 Years	4 Years	3 Years

#### *1.8 Impairment of Asset*

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

#### *1.9 Revaluation of Asset*

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

The Tollymore National Outdoor Mountain Centre will have a valuation undertaken in 2010/11 by Land and Property Services.

#### *1.10 Operating leases*

Rentals payable under operating leases are written off in the Net Expenditure Account in the year. The amount charged in the year and amount of the payments to which the entity is committed is disclosed in note 4 to the accounts.

#### *1.11 Notional Costs*

These financial statements make provision for the notional cost of capital employed by the Council. The Net Expenditure Account 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 5.

#### *1.12 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 2010.

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 Net Expenditure Account. 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 Changes in Taxpayers' Equity.

#### *1.13 Value Added Tax*

The Sports Council is registered for VAT. Sports Council does not reclaim VAT on purchases.

#### *1.14 Trade Receivables*

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

#### *1.15 Trade Payables*

Trade payables are recognised on the following basis:

- As at close of business 31 March - goods and/or services actually received, put into inventories 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 trade payables.

#### *1.16 Inventories*

Inventory is stated at the lower of cost and net realisable value. Inventory of stationery is not included in the Statement of Financial Position since it is incidental and deemed not to be material to the accounts.

#### *1.17 Employee Benefits*

Under the requirements of IAS 19 Employee Benefits, staff costs must be recorded as an expense as soon as the Sports Council is obligated to pay them. This includes the cost of any annual and flexi leave entitlements that have been earned at the year end but not yet taken. The cost of untaken annual and flexi leave has been determined by using actual salary costs and the data from staff leave returns at 31 March. It is not anticipated that the level of untaken leave will vary significantly from year to year.

#### *1.18 Estimation Techniques Used and Key Judgements*

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

- Depreciation of property, plant and equipment, and amortisation of intangible assets.

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

#### *1.19 Accounting Standards, Interpretations and Amendments to Published Standards Adopted in the Year Ended 31 March 2010*

The Sports Council implemented IFRS 1 First-time Adoption of International Financial Reporting Standards (IFRS) with the date of transition to IFRS being 1 April 2008 for the purposes of preparing the opening IFRS statement of financial position.

The standards did not have a material impact on the financial statements. Details of the financial impact of the standards are contained in note 2. Any adjustments arising from differing accounting policies resulting from the application of IFRS for the first time have been taken through the General Fund.

The Sports Council has reviewed the remaining standards, interpretations and amendments to published standards that became effective during 2009-10 and which are relevant to its operations. The adoption of these standards has no significant impact on Sports Council's financial position or results.

#### *1.20 Accounting Standards, Interpretations and Amendments to Published Standards Not Yet Effective*

Certain new standards, interpretations and amendments to existing standards have been published that are mandatory for the Sports Council's accounting periods beginning on or after 1 April 2010, but which the Sports Council has not adopted early. Other than those outlined in note 2 below, the Sports Council considers that these standards are not relevant to its operations.

## 2. First Time Adoption of IFRS

With effect from 1 April 2009, Sports Council is required to report its financial statements in accordance with IFRS. The transition date for adoption of IFRS is 1 April 2008. The impact of the transition to IFRS is detailed below:

### 2 (a). Reconciliation of UK GAAP Reported Taxpayer's Equity to IFRS at the Date of Transition 1 April 2008

	Deferred Capital £	General Reserve £	Pension Reserve £	Revaluation Reserve £	Total Reserve £	SCNI Total £	GROUP Total £
Taxpayers' Equity at 31 March 2008 under UK GAAP	267,800	93,355	(794,000)	80,251	(620,394)	(352,594)	(355,094)
No Adjustments	-	-	-	-	-	-	-
Taxpayer's Equity at 1 April 2008 under IFRS	<u>267,800</u>	<u>93,355</u>	<u>(794,000)</u>	<u>80,251</u>	<u>(620,394)</u>	<u>(352,594)</u>	<u>(355,094)</u>

### 2 (b). Reconciliation of UK GAAP Reported Taxpayer's Equity to IFRS at the End of Final UK GAAP Reporting Period 31 March 2009

	Deferred Capital £	General Reserve £	Pension Reserve £	Revaluation Reserve £	Total Reserve £	SCNI Total £	GROUP Total £
Taxpayers' Equity at 31 March 2009 under UK GAAP	967,800	1,364,863	(2,077,000)	53,501	(658,636)	309,164	216,164
Adjustments for: IAS 38 Intangible Assets	-	(4,574)	-	-	(4,574)	(4,574)	(4,574)
Taxpayer's Equity at 1 April 2009 under IFRS	<u>967,800</u>	<u>1,360,289</u>	<u>(2,077,000)</u>	<u>53,501</u>	<u>(663,210)</u>	<u>304,590</u>	<u>211,590</u>

### 2 (c). Reconciliation of UK GAAP Reported Taxpayer's Net Expenditure to IFRS For the Year Ended 31 March 2009

	SCNI Total £	GROUP Total £
Net Expenditure 2008-09 under UK GAAP	(23,048,857)	(23,046,857)
Adjustments for: IAS 38 Intangible Assets	<u>(4,574)</u>	<u>(4,574)</u>
Net Expenditure 2008-09 under IFRS	<u>(23,053,431)</u>	<u>(23,051,431)</u>

**3 (a). Staff Costs**

	<b>2010 SCNI £</b>	<b>2010 GROUP £</b>	<b>Restated 2009 SCNI £</b>	<b>Restated 2009 GROUP £</b>
Wages and Salaries	3,169,170	3,567,129	2,845,684	3,136,204
Social Security Costs	213,224	239,018	201,143	224,460
Pension Costs	486,573	520,573	395,124	431,533
Agency Costs	84,059	84,059	71,948	115,531
Net Cost in Respect of Defined Benefit Pension Scheme	18,000	26,000	-	-
	<b>3,971,026</b>	<b>4,436,779</b>	<b>3,513,899</b>	<b>3,907,728</b>

All the 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 group was 132(2008/09: 111 employees). The average number of temporary staff employed during the year was 3 (2008/09: 1).

**3 (b). Pension Scheme**

The Sports Council 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. The fund is invested in suitable investments, managed by the Committee. For 2009-2010 the contribution rates were 16% employers and ranging between 5.5% and 7.5% employees (2008/09: 16% employers and 6% employees).

In order to assess the value of the Employer's liabilities in the Fund as at 31 March 2010, 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 IAS 19

The financial assumptions used by the actuary were:

<b>Assumptions</b>	<b>31 March 2010</b>	<b>31 March 2009</b>
	<b>% p.a. Nominal</b>	<b>% p.a. Nominal</b>
Inflation/Pension Increase Rate	3.8%	3.1%
Salary Increase Rate	5.3%	4.6%
Expected Return on Assets	7.2%	6.5%
Discount Rate	5.5%	6.9%

The average future life expectancies at age 65 are:

	<b>Males</b>	<b>Females</b>
Current Pensioners	20.8 Years	24.1 Years
Future Pensioners	22.3 Years	25.7 Years

The return on the Fund in market value terms for the year to 31 March 2010 is estimated based on actual Fund returns as provided by the Administering Authority and index returns where necessary. Details are given below:

Actual Return for Period from 1 April 2008 to 31 December 2009	(32.2%)
Estimated Return for Period from 1 April 2008 to 31 March 2010	(41.7%)

The actuary used a number of financial assumptions during the year, which resulted in the following amounts shown in the Statement of Financial Position:

Assets (Employer)	31 March 2010			31 March 2009			31 March 2008		
	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	7.8%	6,909	7,385	7.0%	4,330	4,632	7.7%	5,785	6,187
Bonds	5.0%	1,256	1,342	5.4%	830	888	5.7%	850	886
Property	5.8%	538	575	4.9%	415	444	5.7%	596	634
Cash	4.8%	269	288	4.0%	356	381	4.8%	113	122
<b>Total</b>	<b>7.2%</b>	<b>8,972</b>	<b>9,590</b>	<b>6.5%</b>	<b>5,931</b>	<b>6,345</b>	<b>7.3%</b>	<b>7,344</b>	<b>7,829</b>

Amount Shown in Statement of Financial Position	31 March 2010 £(000)		31 March 2009 £(000)		31 March 2008 £(000)		31 March 2007 £(000)		31 March 2006 £(000)	
	SCNI Assets	Group Assets	SCNI Assets	Group Assets	SCNI Assets	Group Assets	SCNI Assets	Group Assets	SCNI Assets	Group Assets
Fair Value of Assets	8,972	9,590	5,931	6,345	7,344	7,829	7,162	7,620	6,600	6,600
Present Value of Defined Benefit Obligation	(15,271)	(16,230)	(8,008)	(8,515)	(8,138)	(8,626)	(8,848)	(9,400)	(6,900)	(6,900)
Surplus/(Deficit)	(6,299)	(6,640)	(2,077)	(2,170)	(794)	(797)	(1,686)	(1,780)	(300)	(300)
Experience Gains/(Losses) on Assets	2,161	2,315	(2,321)	(2,478)	(537)	(583)	(80)	378	980	980
Experience Gains/(Losses) on Liabilities	-	-	-	-	(326)	(326)	1	553	72	72
Actuarial Gains/(Losses) on Assets	2,161	2,315	(2,321)	(2,478)	(537)	(583)	(80)	378	980	980
Actuarial Gains/(Losses) on Obligation	(6,365)	(6,770)	959	1,023	1,576	1,720	(1,275)	(1,733)	(791)	(791)
Actuarial Gains/(Losses) Recognised in Statement in Changes in Taxpayers' Equity	(4,204)	(4,455)	(1,362)	(1,455)	1,039	1,137	(1,355)	(1,355)	189	189

The valuation revealed that the Net Pension Asset as at 31 March 2010 is a liability of £6,640,000 (2008/09: £2,170,000). 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.

The following are notes from the actuaries report at the 31 March 2010:

Amount Charged to Net Expenditure Account	31 March 2010 £(000)		31 March 2009 £(000)	
	SCNI	GROUP	SCNI	GROUP
Service Cost	224	248	277	312
Past Service Cost	91	100	-	-
Curtailment and Settlements	-	-	-	-
Decrease in Irrecoverable Surplus	-	-	-	-
<b>Total Operating Charge (A)</b>	<b>315</b>	<b>348</b>	<b>277</b>	<b>312</b>

Amount Credited to Other Finance Income	31 March 2010 £(000)		31 March 2009 £(000)	
	SCNI	GROUP	SCNI	GROUP
Expected Return on Employer Assets	(401)	(428)	(549)	(586)
Interest on Pension Scheme Liabilities	564	600	570	606
<b>Net Return (B)</b>	<b>163</b>	<b>172</b>	<b>21</b>	<b>20</b>
<b>Net Revenue Account Cost (A)-(B)</b>	<b>478</b>	<b>520</b>	<b>298</b>	<b>292</b>

Analysis of Amount Recognised in Comprehensive Expenditure in Net Expenditure Account	31 March 2010 £(000)		31 March 2009 £(000)	
	SCNI	GROUP	SCNI	GROUP
<b>Actuarial Gain/(Loss) Recognised in SOCTE</b>	<b>(4,204)</b>	<b>(4,455)</b>	<b>(1,362)</b>	<b>(1,455)</b>
Cumulative Actuarial Gains and (Losses)	(5,693)	(4,701)	(1,489)	(1,484)

Movement in Deficit During the Year	31 March 2010 £(000)		31 March 2009 £(000)	
	SCNI	GROUP	SCNI	GROUP
Surplus/(Deficit) at Beginning of the Year	(2,077)	(2,170)	(794)	(797)
Current Service Cost	(224)	(249)	(277)	(312)
Employer Contributions	460	505	377	413
Contributions in Respect of Unfunded Benefits	-	-	-	-
Other Income	-	-	-	-
Other Outgoings (e.g. expenses etc)	-	-	-	-
Past Service Costs	(91)	(100)	-	-
Impact of Settlements and Curtailments	-	-	-	-
Net Return on Assets	(163)	(171)	(21)	(19)
Actuarial Gains/(Losses)	(4,204)	(4,455)	(1,362)	(1,455)
<b>Deficit at End of Year</b>	<b>(6,299)</b>	<b>(6,640)</b>	<b>(2,077)</b>	<b>(2,170)</b>

History of Experience Gains and Losses	31 March 2010 £(000)		31 March 2009 £(000)	
	SCNI	GROUP	SCNI	GROUP
Difference Between the Expected and Actual Return on Assets	2,161	2,315	(2,321)	(2,478)
Value of Assets	8,972	9,590	5,931	6,345
<b>Percentage of Assets</b>	<b>24.1%</b>	<b>24.1%</b>	<b>(39.1%)</b>	<b>(39.1%)</b>
Experience Gains/(Losses) on Liabilities	-	-	-	-
Total Present Value of Liabilities	(15,271)	(16,230)	(8,008)	(8,515)
<b>Percentage of the Total Present Value of Liabilities</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>
Actuarial Gains/Losses on Plan Assets	2,161	2,315	(2,321)	(2,478)
Actuarial Gains/Losses on Obligation	(6,365)	(6,770)	959	1,024
Total Amount Recognised in Net Expenditure Account	(4,204)	(4,455)	(1,362)	(1,455)
Total Present Value of Liabilities	(15,271)	(16,230)	(8,008)	(8,515)
<b>Percentage of the Total Present Value of Liabilities</b>	<b>27.5%</b>	<b>27.5%</b>	<b>17.0%</b>	<b>17.1%</b>

**4. Operating Costs**

	<b>2010 SCNI £</b>	<b>2010 GROUP £</b>	<b>Restated 2009 SCNI £</b>	<b>Restated 2009 GROUP £</b>
Travel & Subsistence	151,852	163,711	168,029	176,357
Recruitment	7,257	9,159	26,328	34,104
Training	73,500	86,284	103,726	113,424
Publications, Printing & Stationery and IT Consumables	114,799	117,042	106,035	107,318
Telephones & Postage	97,574	111,671	90,954	106,496
Professional Fees/Consultancy Fees	625,676	640,963	395,554	412,965
Repairs & Renewals	449,062	467,011	277,333	283,732
(Profit)/Loss on Disposal of Property, Plant and Equipment	15,091	16,363	(11,254)	(11,254)
Permanent Diminution	-	-	4,574	4,574
Quality Initiatives	2,076	2,076	1,935	1,935
Insurance	59,211	78,604	55,559	68,610
Rent & Rates	156,680	284,340	153,161	315,855
Heat & Light	53,996	53,996	57,187	57,187
Caretaking & Cleaning	34,185	34,185	33,537	33,537
Sundry Expenses	4,320	4,320	3,115	3,115
Bad Debts	100	5,103	359	359
Committees, Receptions & Publicity	550,281	561,423	646,903	653,078
Promotions & Sponsorships	71,750	71,750	74,966	74,966
Information Services, Journals & Subscriptions	178,054	178,054	162,818	162,818
Sports Development	182,863	182,863	233,033	233,033
Coaches	3,698	3,698	4,436	4,436
Fees and Bank Charges	2,490	2,661	1,802	3,961
<b>Total Other Operating Costs</b>	<b>2,834,515</b>	<b>3,075,277</b>	<b>2,590,090</b>	<b>2,840,606</b>
<b>Total Grants</b>	<b>20,520,143</b>	<b>20,520,143</b>	<b>17,895,499</b>	<b>17,895,499</b>
<b>Total Costs</b>	<b>23,354,658</b>	<b>23,595,420</b>	<b>20,485,589</b>	<b>20,736,105</b>

Rent charged to the Net Expenditure Account is based on a non-commercial arrangement with DCAL.

The deficit in the Net Expenditure Account is after charging:

	<b>2010 SCNI £</b>	<b>2010 GROUP £</b>	<b>2009 SCNI £</b>	<b>2009 GROUP £</b>
Depreciation of owned assets:	235,095	282,553	214,001	240,153
Hire of land:	2,250	2,250	2,400	2,400
Hire of other assets:	564	564	1,634	1,634

**5. Notional Costs**

The Net Expenditure Account 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% (2008/09 – 3.5%) of the average capital employed by the Sports Council during the year, defined as total assets less total liabilities.

	<b>2010 SCNI</b>	<b>2010 GROUP</b>	<b>Restated 2009 SCNI</b>	<b>Restated 2009 GROUP</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Notional Cost of Capital	(79,370)	(86,965)	(840)	(2,512)
Notional Auditors Remuneration	18,500	18,500	18,000	18,000
Total Notional Costs	<u>60,870</u>	<u>68,465</u>	<u>17,160</u>	<u>15,488</u>

**6. Grant from Other Activities**

	<b>2010 SCNI</b>	<b>2010 GROUP</b>	<b>Restated 2009 SCNI</b>	<b>Restated 2009 GROUP</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Grant – Other Sources	-	756,973	-	670,994
Total Other Grants	<u>-</u>	<u>756,973</u>	<u>-</u>	<u>670,994</u>

**7. Other Income**

	<b>2010 SCNI</b>	<b>2010 GROUP</b>	<b>Restated 2009 SCNI</b>	<b>Restated 2009 GROUP</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Sports Development	95,527	95,527	79,762	79,762
Tollymore National Outdoor Mountain Centre	181,896	181,896	173,238	173,238
Services to Partners	145,422	145,422	258,057	258,057
Total Income from Activities	<u>422,845</u>	<u>422,845</u>	<u>511,057</u>	<u>511,057</u>
Service to Lottery Activities	<u>594,203</u>	<u>594,203</u>	<u>529,480</u>	<u>529,480</u>
Finance Income Defined Benefit Pension Scheme	-	-	79,000	80,503
<b>Total Other Income</b>	<b><u>1,017,048</u></b>	<b><u>1,017,048</u></b>	<b><u>1,119,537</u></b>	<b><u>1,121,040</u></b>

**8. Interest Receivable**

	<b>2010 SCNI</b>	<b>2010 GROUP</b>	<b>2009 SCNI</b>	<b>2009 GROUP</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Bank Interest Received	<u>5,281</u>	<u>5,281</u>	<u>17,432</u>	<u>17,432</u>

**9. Taxation**

	<b>2010 SCNI</b>	<b>2010 GROUP</b>	<b>2009 SCNI</b>	<b>2009 GROUP</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Corporation Tax Current Year	<u>966</u>	<u>966</u>	<u>3,661</u>	<u>3,661</u>

**10 (a). Property, Plant and Equipment**

	<b>Assets Under Construction</b>	<b>Buildings</b>	<b>Specialist Sports Equipment</b>	<b>Furniture and Fittings</b>	<b>Motor Vehicles</b>	<b>Computer Equipment</b>	<b>Total SCNI</b>	<b>Total GROUP</b>
	£	£	£	£	£	£	£	£
Cost or Valuation								
At 1 April Restated	1,034,670	447,065	130,263	87,627	82,917	567,459	2,350,001	2,523,327
Additions	3,927,214	-	2,500	83,715	-	149,065	4,162,494	4,241,243
Revaluation	-	-	4,014	(905)	12,012	42,590	57,711	57,711
Transfers	-	-	0	(6,021)	-	6,021	-	-
Disposals	-	(447,065)	(9,318)	(8,739)	-	(41,988)	(507,110)	(508,616)
At 31 March	<u>4,961,884</u>	<u>-</u>	<u>127,459</u>	<u>155,677</u>	<u>94,929</u>	<u>723,147</u>	<u>6,063,096</u>	<u>6,313,665</u>
Depreciation								
At 1 April Restated	-	374,115	53,256	46,011	32,360	252,581	758,323	786,815
Charge for the Year	-	72,950	11,533	7,675	17,297	72,051	181,506	225,562
Revaluation	-	-	(10,844)	(1,047)	(12,924)	(60,284)	(85,099)	(85,099)
Transfers	-	-	-	(4,971)	-	4,971	-	-
Disposals	-	(447,065)	(2,074)	(8,739)	-	(35,978)	(493,856)	(494,091)
At 31 March	<u>-</u>	<u>-</u>	<u>51,871</u>	<u>38,929</u>	<u>36,733</u>	<u>233,341</u>	<u>360,874</u>	<u>433,188</u>
Net Book Value								
At 31 March 2010	<u>4,961,884</u>	<u>-</u>	<u>75,588</u>	<u>116,748</u>	<u>58,196</u>	<u>489,806</u>	<u>5,702,222</u>	<u>5,880,477</u>
At 31 March 2009	<u>1,034,670</u>	<u>72,950</u>	<u>77,007</u>	<u>41,616</u>	<u>50,557</u>	<u>314,878</u>	<u>1,591,678</u>	<u>1,736,512</u>

**2008/09 Restated**

	<b>Assets Under Construction</b>	<b>Buildings</b>	<b>Specialist Sports Equipment</b>	<b>Furniture and Fittings</b>	<b>Motor Vehicles</b>	<b>Computer Equipment</b>	<b>Total SCNI</b>	<b>Total GROUP</b>
	£	£	£	£	£	£	£	£
Cost or Valuation								
At 1 April Restated	262,718	447,065	85,338	55,186	75,301	330,054	1,255,662	1,294,350
Additions	771,952	-	57,198	40,425	33,746	287,750	1,191,071	1,325,709
Disposals	-	-	(12,273)	(7,984)	(26,130)	(50,345)	(96,732)	(96,732)
At 31 March	<u>1,034,670</u>	<u>447,065</u>	<u>130,263</u>	<u>87,627</u>	<u>82,917</u>	<u>567,459</u>	<u>2,350,001</u>	<u>2,523,327</u>
Depreciation								
At 1 April Restated	-	284,702	55,490	52,199	44,951	235,592	672,934	678,152
Charge for the Year	-	89,413	10,039	1,796	13,539	66,923	181,710	204,984
Disposals	-	0	(12,273)	(7,984)	(26,130)	(49,934)	(96,321)	(96,321)
At 31 March	<u>-</u>	<u>374,115</u>	<u>53,256</u>	<u>46,011</u>	<u>32,360</u>	<u>252,581</u>	<u>758,323</u>	<u>786,815</u>
Net Book Value								
At 31 March 2009	<u>1,034,670</u>	<u>72,950</u>	<u>77,007</u>	<u>41,616</u>	<u>50,557</u>	<u>314,878</u>	<u>1,591,678</u>	<u>1,736,512</u>
At 31 March 2008	<u>262,718</u>	<u>162,363</u>	<u>29,848</u>	<u>2,987</u>	<u>30,350</u>	<u>94,462</u>	<u>582,728</u>	<u>616,198</u>

The net book value of buildings and assets under construction comprises:

	<b>2010 SCNI £</b>	<b>2010 GROUP £</b>	<b>2009 SCNI £</b>	<b>2009 GROUP £</b>
Short Leasehold	4,961,884	4,961,884	1,107,620	1,107,620

Buildings refer to the Tollymore National Outdoor 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 National Outdoor 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 has been fully written off.

The land which the Tollymore National Outdoor 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 National Outdoor Mountain Centre and Altnadue Quarry have been expensed to the Net Expenditure Account (see Note 17).

#### 10 (b). Intangible Assets

	<b>SCNI Computer Equipment £</b>	<b>Total GROUP £</b>
Cost or Valuation		
At 1 April Restated	534,438	544,210
Additions	91,061	103,078
Revaluation	52,034	52,034
Disposals	(91,438)	(91,438)
At 31 March	586,095	607,884
Amoritsation		
At 1 April Restated	382,574	386,273
Charge for the Year	53,589	56,991
Revalutaion	(26,993)	(26,993)
Disposals	(91,125)	(91,125)
At 31 March	318,045	325,146
Net Book Value		
At 31 March 2010	268,050	282,738
At 31 March 2009	151,864	157,937

**2008/09 Restated**

	<b>SCNI Computer Equipment £</b>	<b>Total GROUP £</b>
Cost or Valuation		
At 1 April	424,455	428,837
Additions	143,069	148,459
Revaluation	(6,068)	(6,068)
Disposals	(27,018)	(27,018)
At 31 March	<u>534,438</u>	<u>544,210</u>
Amortisation		
At 1 April	376,715	377,536
Charge for the Year	32,291	35,169
Revaluation	(1,494)	(1,494)
Disposals	(24,938)	(24,938)
At 31 March	<u>382,574</u>	<u>386,273</u>
Net Book Value		
At 31 March 2009	<u>151,864</u>	<u>157,937</u>
At 31 March 2008	<u>47,740</u>	<u>51,301</u>

Intangible assets consists of software and licences to run a number of packages within the Sports Council.

**11. Inventory of Luncheon Vouchers**

	<b>2010 SCNI £</b>	<b>2010 GROUP £</b>	<b>2009 SCNI £</b>	<b>2009 GROUP £</b>	<b>2008 SCNI £</b>	<b>2008 GROUP £</b>
Balance at 1 April	10	10	33	33	57	57
Receipts	14,431	14,431	12,867	12,867	11,085	11,085
Issued to Staff	(14,428)	(14,428)	(12,890)	(12,890)	(11,109)	(11,109)
Balance at 31 March	<u>13</u>	<u>13</u>	<u>10</u>	<u>10</u>	<u>33</u>	<u>33</u>

**12. Trade and Other Receivables**

<b>12 (a). Analysis by Type</b>	<b>2010 SCNI</b>	<b>2010 GROUP</b>	<b>2009 SCNI</b>	<b>2009 GROUP</b>	<b>2008 SCNI</b>	<b>2008 GROUP</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Trade Receivables	72,774	81,251	24,647	35,077	67,688	67,688
Other Receivables	118,038	123,176	85,326	216,958	286,859	306,226
Amount Owed by Lottery	139,406	139,406	1,772,156	1,772,156	272,779	317,662
Grant Claw back	106,268	106,268	3,450	3,450	20,777	20,777
<b>Total</b>	<b>436,486</b>	<b>450,101</b>	<b>1,885,579</b>	<b>2,027,641</b>	<b>648,103</b>	<b>712,353</b>

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

	<b>2010 SCNI</b>	<b>2010 GROUP</b>	<b>2009 SCNI</b>	<b>2009 GROUP</b>	<b>2008 SCNI</b>	<b>2008 GROUP</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Balances with central government	(5,156)	(5,156)	1,900	1,900	-	-
Balances with local authorities	30,177	30,177	8	8	3,200	3,200
Balances with other government organisations	172,183	180,622	1,785,593	1,891,548	471,681	516,564
Balances with bodies external to government	239,282	244,458	98,078	134,185	173,222	192,589
	<b>436,486</b>	<b>450,101</b>	<b>1,885,579</b>	<b>2,027,641</b>	<b>648,103</b>	<b>712,353</b>

**13. Cash and Cash Equivalents**

<b>Cash at Bank and in Hand</b>	<b>2010 SCNI</b>	<b>2010 GROUP</b>	<b>2009 SCNI</b>	<b>2009 GROUP</b>	<b>2008 SCNI</b>	<b>2008 GROUP</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Bank	629,190	719,345	442,520	469,306	1,099,800	1,149,985
Petty Cash	199	199	400	400	400	400
<b>Total Cash at Bank and in Hand</b>	<b>629,389</b>	<b>719,544</b>	<b>442,920</b>	<b>469,706</b>	<b>1,100,200</b>	<b>1,150,385</b>

<b>Petty Cash Movement</b>	<b>2009 SCNI</b>	<b>2009 GROUP</b>	<b>2009 SCNI</b>	<b>2009 GROUP</b>	<b>2008 SCNI</b>	<b>2008 GROUP</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Petty Cash – 1 April	400	400	400	400	400	400
Petty Cash – 31 March	199	199	400	400	400	400
<b>Net Movement in Petty Cash</b>	<b>201</b>	<b>201</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

<b>Cash at Bank Movement</b>	<b>2009 SCNI</b>	<b>2009 GROUP</b>	<b>2009 SCNI</b>	<b>2009 GROUP</b>	<b>2008 SCNI</b>	<b>2008 GROUP</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Balance at 1 April	442,520	469,306	1,099,800	1,149,985	555,844	575,172
Net Change in Cash and Cash Equivalent Balances	186,670	250,039	(657,280)	(680,679)	543,956	574,813
<b>Balance at 31 March</b>	<b>629,190</b>	<b>719,345</b>	<b>442,520</b>	<b>469,306</b>	<b>1,099,800</b>	<b>1,149,985</b>

The cash and cash equivalents balances are denominated in Sterling. For the purposes of the Statement of Cash Flows, cash and cash equivalents comprise of the following balance at the 31 March:

	<b>2009 SCNI £</b>	<b>2009 GROUP £</b>	<b>2009 SCNI £</b>	<b>2009 GROUP £</b>	<b>2008 SCNI £</b>	<b>2008 GROUP £</b>
Commercial Banks and Cash in Hand	629,389	719,544	442,920	469,706	1,100,200	1,150,385

#### 14. Trade and Other Payables

##### 14 (a). Analysis by Type

	<b>2010 SCNI £</b>	<b>2010 GROUP £</b>	<b>2009 SCNI £</b>	<b>2009 GROUP £</b>	<b>2008 SCNI £</b>	<b>2008 GROUP £</b>
Trade Payables	-	75,055	-	126,071	1,276	51,814
VAT	7,988	7,988	5,940	5,940	15,985	15,985
Other Tax and Social Security	1,109	1,109	31,580	31,580	24,043	30,722
Other Payables	1,694,771	1,916,429	732,066	925,750	263,289	357,538
<b>Total Trade and Other Payables</b>	<b>1,703,868</b>	<b>2,000,581</b>	<b>769,586</b>	<b>1,089,341</b>	<b>304,593</b>	<b>456,059</b>
<b>Grant Commitments</b>	<b>3,873,284</b>	<b>3,873,284</b>	<b>920,875</b>	<b>920,875</b>	<b>1,632,805</b>	<b>1,632,805</b>
<b>Total Current Liabilities</b>	<b>5,577,152</b>	<b>5,873,865</b>	<b>1,690,461</b>	<b>2,010,216</b>	<b>1,937,398</b>	<b>2,088,864</b>

##### 14 (b). Intra Government Balances

	<b>2010 SCNI £</b>	<b>2010 GROUP £</b>	<b>2009 SCNI £</b>	<b>2009 GROUP £</b>	<b>2008 SCNI £</b>	<b>2008 GROUP £</b>
Balances with central government	9,097	9,097	40,900	40,900	43,724	50,701
Balances with local authorities	106,714	106,714	21,063	21,063	78,713	78,713
Balances with other government organisations	137,561	337,489	11,775	187,123	464,566	464,566
Balances with bodies external to government	5,323,780	5,420,565	1,616,723	1,761,130	1,350,395	1,494,884
	<b>5,577,152</b>	<b>5,873,865</b>	<b>1,690,461</b>	<b>2,010,216</b>	<b>1,937,398</b>	<b>2,088,864</b>

**15. Non-Current Liabilities**

	Note	2010 SCNI £	2010 GROUP £	2009 SCNI £	2009 GROUP £	2008 SCNI £	2008 GROUP £
Pension Deficit	3b	6,299,000	6,640,000	2,077,000	2,170,000	794,000	796,500

**16. Explanation of Reserves*****Deferred Capital***

This is the capital grant ring fenced for expenditure on the redevelopment of Tollymore National Outdoor Mountain Centre. This balance is amortised in line with the depreciation of the asset.

***General Reserve***

This is the balance of recurrent grants provided by DCAL through grant in aid, net of expenditure in year funded by DCAL.

***Revaluation Reserve***

This is the balance arising on the revaluation of property, plant and equipment and intangible assets.

***Pension Reserve***

This is the balance required by the Sports Council to met the current pension deficit on its share of the NILGOSC pension scheme,

**17. Commitments Under Leases**

At 31 March 2010 the Sports Council had annual commitments under operating leases as set out below:

	2010		2009	
	Land & Buildings £	Other £	Land & Buildings £	Other £
Operating Leases which Expire:				
Within One Year	-	-	-	780
Within Two and Five Years Inclusive	-	768	-	-
Over Five Years	2,250	-	2,400	-
Total	2,250	768	2,400	780

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

The House of Sport rental agreement with the Department of Culture, Arts and Leisure is leased on a rolling agreement, cancellable with 6 months prior notice. There are no specific rent reviews contained within the lease. A general review of rental values for government properties was undertaken in 2008, which increased the rent from £36,000 to £90,000.

## **18. Commitments**

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

- Surfaces Programme - £1,072,144;
- Soccer Strategy Programme - £325,616;
- Stadia Safety Programme - £1,700,118;
- Building Sport Programme - £540,752;
- Mountain Rescue Capital - £28,770;
- Mountain Rescue Revenue - £26,110;
- Countryside Access - £240,000;
- Talent ID Programme - £1,290;
- Disability Sports - £349,660;
- Performance Development Programme -£73,300; and
- Investing in Performance Sport Programme - £10,489,541.

Sport Council obtained instruction from Central Procurement Division on 19 January 2009, that it could commence with the contract for the capital redevelopment of the Tollymore National Outdoor Mountain Centre. The total project cost is approximately £3.5m excluding VAT. The project will be completed in the financial year 2010/11.

Amounts contracted but not provided in the financial statements total £NIL (2008/09: £NIL).

## **19. Contingent liabilities**

### **1. Fraud at Sports Institute Northern Ireland**

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. On the 23<sup>rd</sup> December 2009, DCAL gave SINI approval to write off the outstanding amount from the lottery fund.

The Sports Institute for Northern Ireland has a contingent liability to repay grants received should certain conditions under which they were awarded cease to be fulfilled.

### **2. Judicial review**

As a result of the ruling by the judge on the late submission of an application under the Elite Facilities Programme, Sports Council has a potential liability of £77,000 relating to the legal costs of the other party. In October 2010, Sports Council made an interim payment of £43,997 for these third party costs and awaits further clarification as to what other costs may be classified as eligible before making any further payments.

### **3. Equal Pay**

The former Minister for Finance and Personnel Northern Ireland announced measures in May 2008 to address equal pay issues in the Northern Ireland Civil Service. Sports Council is linked to the civil service pay award system, as it uses the pay scales for remunerating staff, but currently would not be part of central government requirements in relation to equal pay, as it is a Non Departmental Government Body.

There is a potential obligation that Sports Council may have to comply with equal pay legislation and to address any anomalies that may exist in its present pay and grading structures. Sports Council considers that a reliable estimate cannot be made, at this point in time, of the potential liability relating to this issue, including establishing clearly the extent to which the claims may be valid, the groups of staff that might be entitled to a payment and the size of those payments. Consequently, Sports Council do not consider that it is possible to reach a reliable estimate of the obligation, and thus make a provision under the criteria set out in FRS12.

#### 4. Joint Venture Company (SINI)

The SINI has a contingent liability to repay grants received should certain conditions under which they were awarded cease to be fulfilled.

### 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.

Organisation/Individual	Commitment s £	Individual	Relationship
Annagh United FC	84,872	Jamie Uprichard	<b>Subscribing Member - Current</b>
ASP Sports Costs - Paul McKillop/Matthew Rollston	7867	Heidi-Beth Hudson	<b>Member of Knights Wheelchair Basketball Club</b>
Athlete Support Programme Sports Costs and Living Costs Awards (Athletes)	1,728,599	Sports Institute Northern Ireland	<b>Athletes Funded by Sports Council, Receive Services at the Sports Institute</b>
Athletics Northern Ireland	28,980	Ali Campbell Paul Scott	<b>Coach Member</b>
Ballinamallard United FC	220,028	Alan Campbell	<b>Previous Employment - Project Architect</b>
Ballyclare Comrades FC	232,000	Alan Campbell	<b>Previous Employment - Project Architect</b>
Ballygalget GAC	6,600	Louise Clarke Siobhan Coulter	<b>Subscribing Member – Former Subscribing Member - Current</b>
Ballymena RFC	5,080	Ronnie McBride	<b>Subscribing Member - Former</b>
Ballymena RFC	5,080	Ali Campbell	<b>Coach</b>
Belfast Activity Centre	9,880	Ruth VanRy	<b>Salaried Employee - Former / Volunteer - Current</b>
Belfast Boat Club	10,000	Rachael McDowell	<b>Member - Former</b>
Canoe Association of Northern Ireland	35,385	Trevor Fisher Robin Gregg Oisín Hallissey Nick Harkness Mike McClure Stephen Millar Kieran O'Hara	<b>Subscribing Member - Current Subscribing Member - Current Coaching Panel Member Subscribing Member - Current Subscribing Member - Current Subscribing Member - Current Subscribing Member - Current</b>

Organisation/Individual	Commitment s £	Individual	Relationship
Clann Eireann Cycling Club	1,590	John News	Subscribing Member - Current
Clann Eireann GFC & Youth Club	244,698	John News	Affiliated through Clann Eireann Cycling Club
Countryside Recreation - Northern Ireland	9,188	Dr Olive Brown	Non Executive Director - Current
Cycling Ulster	28,300	Maura McGreevy	Person Connected - Subscribing Member - Current
Dromore St Dymphna GFC	232,310	Jolene McCarney	Subscribing Member - Current
Dungannon Swifts	232,000	Alan Campbell	Previous Employment - Project Architect
Dungannon Thomas Clarke	226,675	Catherine Martin	Person Connected & Subscribing Member - Current
Dunloy GAC	144,700	Conor Cuning	Subscribing Member - Current
Eglis St Patricks GAC	245,000	Catherine Martin	Person Connected & Subscribing Member - Current
Fintona Pearses GAC	245,000	Jolene McCarney	Subscribing Member - Former
Glenn GAC	4,700	Sean O'Hare	Subscribing Member - Current
Golfing Union of Ireland UB	12,500	Nick Harkness Eamonn McCartan Jill Poots	Person Connected - Subscribing Member - Current Subscribing Member - Current Person Connected - Subscribing Member - Current
Gymnastics NI	11,210	Marie Murphy	Director of Gymnastics NI and Salto GC
Irish Ladies Golf Union NI Region	6,750	Jill Poots	Person Connected - Subscribing Member - Current
Knights Wheelchair Basketball Club	9,250	Heidi-Beth Hudson	Member of Knights Wheelchair Basketball Club
Lagan Valley Orienteer's	8,900	Murray Cowan	Subscribing Member - Current
Larne BC	99,740	David Smyth	Former Employee
Laurel Vale FC	1,073	Jamie Uprichard	Subscribing Member - Former
Monkstown Community Sports Facility	10,000	Paul Johnston	Honorary Officer/Director - Current
Muckamore Cricket & Tennis Club	124,233	Richard McCormick	Life Member
Netball Northern Ireland	4,448	Karen Drennan Noleen Lennon Diarmaid McAuley	Person Connected -Former Honorary Member Subscribing Member - Current Wife - Business Modernisation Manager
NI Civil Service Sports Association	1,211,861	Heidi-Beth Hudson	Potential future relationship with Knights Wheelchair Basketball Club
NI Commonwealth Games	40,000	Laura Strong John D'Arcy Danny O'Connor Alan Strong	Father is former director Board Member Committee Member -Current Former director
NI Orienteering	8,169	Rachael McDowell Murray Cowan	Subscribing Member - Former Member of Organising Committee/Working Group
North Down Borough Council	768,234	Alan Moneypenny	Contracted - Approx 6 days per annum
Ocean Youth Trust Ireland	120,919	Dominic Walsh	Person Connected - Former Director

Organisation/Individual	Commitment s £	Individual	Relationship
PDP - Alison McMullan	8,000	Marie Murphy	<b>Director of Gymnastics NI and Salto GC</b>
PDP – Jason Kennedy	1,500	Heidi-Beth Hudson	<b>Member of Knights Wheelchair Basketball Club</b>
PDP - Maria Faulkner	12,000	Marie Murphy	<b>Employed by UU</b>
PDP - Neil Doak	10,000	Dominic Walsh	<b>Club Connection - Played Rugby Together</b>
PDP - William Moore	4,000	Marie Murphy	<b>Employed by UU</b>
Royal Yachting Association (NIC)	23,130	Jill Poots	<b>Person Connected - Subscribing Member - Current</b>
Showjumping Association of Ireland (Northern Region)	9,500	Diane Gaston	<b>Person Connected - Subscribing Member - Current – Judge</b>
Sport and Leisure FC	87,050	Alan Campbell	<b>Previous Employment - Project Architect</b>
St Malachy's GAC	245,000	Steven Trainor	<b>Club Member</b>
St Pauls ABC	9,540	Paul Donnelly	<b>Subscribing/Honorary Member – Current for St Pauls GAC which is located on same premises</b>
Termoneeny Community Association	10,000	Ciaran McGurk	<b>Person Connected - Office Holder</b>
Tullysaran O'Connells GAC	245,000	Helen Donnelly	<b>Committee Member</b>
Tyrone GAA	9,616	Conleth Donnelly Catherine Martin	<b>Coach Person Connected - Former Chairman</b>
UB Irish Rugby Football Union	1,250	Brian McCargo	<b>Subscribing Member - Current</b>
UB Irish Table Tennis Association	17,714	Laura Strong Alan Strong	<b>Father is former director Former director</b>
UBBUI	5,100	Leslie Dewart	<b>Coach</b>
Ulster Hockey Union	34,650	Jill Poots  David Smyth Simon Toole	<b>Person Connected - Subscribing Member – Current Other - Ulster U21 Coach - Current Other – TID Squad Coach</b>
Ulster Provincial Council Irish Amateur Boxing Association	57,000	Paul Johnston	<b>Coach of Stephen Ward</b>
University of Ulster Fencing Club	9,200	Marie Murphy	<b>Employed by UU</b>
University of Ulster Rowing Club	8,816	Marie Murphy	<b>Employed by UU</b>
Wolfe Tones GAC, Lurgan	252,500	Eamon McCann	<b>Subscribing Member - Current</b>
Woodvale Cricket Club	186,800	Barry McCaulay	<b>Subscribing Member - Current</b>

**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 for Northern Ireland 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. Sports Council for Northern Ireland Council Members who currently reside as Directors on the Board of Sports Institute Northern Ireland are as follows:

- Olive Brown;
- Danny O'Connor; and
- Patrick Turnbull.

Sports Council for Northern Ireland employs the following staff who hold positions/carry out work for the Sports Institute Northern Ireland:

- Shaun Ogle (SINI Executive Director);
- Ian Weir (SINI Business Manager);
- Turlough Gorman (HR Manager);
- Kristine Telford (HR Assistant);
- Nicola McClean (HR Assistant); and
- Leigh Brown (Internal Auditor).

A percentage of these employees time is recharged to the Sports Institute Northern Ireland through a service level agreement.

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

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 and Special Payments**

Bad debts were written off during the year of £100 (2008/09: NIL). A bad debt provision of £851 (2008/09: £851) has been made in the accounts for Coaching NI.

During the year £1,300 losses arose due to a legal settlement (2008/09: £4,410).

Sports Council has accrued £91,277 in the financial year 2009/10, to cover a proportion of the other parties costs associated with the Judicial Review case. This is classified as a special payment.

The SINI wrote off a debt of £10,005, due from Sports Council and the University of Ulster (2008/09: Nil).

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

IAS39 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. Events After the Reporting Period**

No events occurred between the date of the Statement of Financial Position and the date on which these financial statements were authorised for issue that require disclosure under International Accounting Standard 10.

The Annual Report and Accounts were authorised by the Accounting Officer to be issued on the date they were certified by the Comptroller and Auditor General.

## **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 2010 there was a surplus of £6,000 for the year (before actuarial losses), and net liabilities of £682,000.

## **25. Segmental Reporting**

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

**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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