

**The Sports Council for Northern Ireland**  
**Annual Report and Accounts**  
**For the year ended 31<sup>st</sup> March 2013**

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Annual Report and Accounts  
For the year ended 31 March 2013**

*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*

*4 July 2013*

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## **Chairman's Foreword**

I am pleased to introduce the 2012-13 Annual Report for the Sports Council for Northern Ireland (hereafter Sports Council). The report summarises the work of the organisation and reflects not just on the success of 2012-13, but also looks forward to the challenges and opportunities we face in 2013-14. It also outlines the progress achieved by the Sports Council and its staff, and highlights the strength of the partnerships which have been built up over the years.

Delivering on 'Sport Matters: The Northern Ireland Strategy for Sport and Physical Recreation, 2009-2019' is a key focus for the Sports Council. Sport Matters outlines a vision for sport and physical recreation. It also establishes key targets and priorities for sport's future development as identified by the sports sector, the community at large and a range of other interests across central and local government, the voluntary sector and business. Sports Council is guided by this framework on a yearly basis as we strive to help achieve these targets.

Sports Council is also keen to demonstrate sports contribution to other Government agendas within health, social and economic development, education, community development, and addressing social disadvantage. However, while these benefits are extremely valued, we shouldn't forget that sport is also about enjoyment and the sense of achievement that participation can bring to anyone, regardless of age, income, background or level of ability. In short, sport is a real positive force.

Sport today faces major challenges particularly in terms of participation, high performance and the quality of existing infrastructure. We need to make sure that we preserve our existing sporting culture, and cultivate and strengthen it now and for the future. Sport Matters offers us all a vision and a direction to achieve this.

It is with this vision in mind that we look ahead to the coming months in sport, in particular building on the legacy from the London 2012 Olympic and Paralympic Games which were a tremendous success for our athletes.

Having been appointed as Chair of the Sports Council in December 2012 I note that 2013 is already promising to be an exciting year for sport, with Lisburn City Council being awarded the prestigious title of 2013 European City of Sport; the Belfast 2013 World Police and Fire Games, which will provide a platform to bring opportunity and enjoyment to everyone; and the opening of Bangor's Aurora Aquatic and Leisure Complex, which houses the much anticipated Olympic-size pool.

I would like to take this opportunity to pay tribute to the previous Chair of the Sports Council, Dominic Walsh, who provided great strategic leadership during his four-year term, and to Paddy Turnbull for his time as Interim Chair. I would also like to acknowledge my colleagues on the Board who have given their time and considerable expertise so readily on behalf of sport; and the Acting Chief Executive, Nick Harkness, and staff at Sports Council whose commitment, dedication and considerable ability led to the achievement of our goals in 2012-13.

**Brian Henning**  
**Chair**  
**Sports Council for Northern Ireland**

## **Acting Chief Executive's Statement**

Sport provides us all with inspirational and invaluable moments; this year is certainly one which has created a lasting legacy for everyone. It has truly been a remarkable year for sport in this region as we watched many of our home-grown athletes compete in the London 2012 Olympic and Paralympic Games, and incredibly bring home five Gold medals, two Silver medals and five Bronze medals. Northern Ireland also hosted athletes from 17 countries who chose this region for their pre-Games training, and many people across the Province took part in the Olympic Torch Relay and the Paralympic Flame.

Sports Council worked in conjunction with many of the governing bodies of sport, local councils and sporting venues to attract and secure athletes and teams to come to this region as part of their pre-Games training. Over a thousand athletes from 17 countries used 12 of this region's sporting venues for their pre-Games training, including athletics, boxing, gymnastics, and wheelchair basketball, to name a few. This was a great opportunity to showcase the high quality sporting venues this region has and will pave the way forward for further sporting events.

People in this region have a lot to be proud of when it comes to the 2012 Games. Sports Council strives to provide a sporting environment which nourishes our athletes and enables them to achieve sporting success at the highest level. With Exchequer funding Sports Council has been able to invest in programmes and initiatives such as Investing in Performance Sport, talent identification, club development, and coaching to create opportunities for people to excel at their chosen sport. A total of 28 of our athletes qualified for the 2012 Games; they achieved personal bests, Irish records, and brought home an outstanding 12 medals. The athletes have shown incredible commitment; training day in, day out, and demonstrating their immense skill at major competition level. Their success will serve as an important measure of sporting achievement. I want to thank every one of our athletes for their efforts. Attention now turns to the Glasgow 2014 Commonwealth Games, and with valuable lessons learnt our athletes can focus all their efforts on training hard and being at the top of their game.

One of the fundamental objectives of the Sports Council is to increase participation in sport. Therefore the 'participation legacy' from the 2012 Games is of crucial importance. School sport is one area in particular where the Olympic spirit of taking part can make a real difference to young people and help to drive participation in sport. Sustaining the momentum of the 2012 Games means opening peoples' eyes to the possibility of sport and encouraging young people to follow in the footsteps of their heroes and take part in sport. Encouraging schools and supporting our local clubs is also very important, as this will ultimately encourage lifelong participation in sport. Sports Council has invested Exchequer funding in organisations and projects in order to grow and sustain participation in sport, such as Activ8 and the 50m pool.

My thanks go to all those organisations and individuals who have worked with Sports Council to further the development of sport in this region. And finally I would like acknowledge all those involved in the on-going delivery of sport in this region - coaches, athletes, participants, officials, administrators, volunteers, and teachers. Sport is always to be a team effort and I commend everyone for their commitment and dedication to making sport an integral part of this region's culture. I, along with the staff at Sports Council, look forward to the post-Games period with enthusiasm, determination and optimism, and in the hope that sport will continue to flourish in all areas.



**Nick Harkness**  
**Acting Chief Executive and Accounting Officer**  
**Sports Council for Northern Ireland**

**Date: 28 June 2013**

## **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**

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

The Acting 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 through various recruitment exercises and appointments were made on the following dates with the number of members still currently appointed: four members on 1 January 2008; two members on 1 July 2011; and five members on 1 March 2012. A new Chairman was appointed on the 1 December 2012. All appointments are for a 4 year term. The members of the Participation, Performance and Places Committees are nominated by the Sports Council. The last meeting of these committees took place in April 2012.



The following persons served as members during the financial year 2012/13.

**Sports Council Membership**

Mr B Henning (Chairman) – Appointed 1 December 2012.

Mr P Turnbull – Appointed Interim Chair 11 September 2012 to 1 December 2012. Resigned 4 March 2013.

Mr J D’Arcy – Appointed Interim Vice Chair 11 September 2012.

Mr D Walsh (Chairman) – End of Term 10 September 2012.

Mr A Moneypenny (Vice-Chairman) – End of Term 31 July 2012.

Mr M Cowan

Mr B Macaulay

Mr D O’Connor

Ms H McGrady – Resigned 14 July 2012.

Mr R Carr

Mr P Cummings

Mr G Campbell

Mr B Delaney

Ms R Mallon

Mr S McCullough

Mr J O’Neill

**Participation Committee**

Mr B Macaulay (Chairman)

Mr B Delaney (Vice-Chairman)

Mr G Campbell

Mr S McCullough

Mr J O’Neill

**Performance Committee**

Mr D O’Connor (Chairman)

Mr M Cowan (Vice-Chairman)

Mr R Carr

Mr S McCullough

**Places Committee**

Mr P Cummings (Chairman)

Ms H McGrady (Vice – Chairperson) – Resigned 14 July 2012.

Mr R Carr

Mr B Delaney

Mr M Cowan

## **Staffing Committee**

The staffing committee is nominated to advise on matters relating to Human Resource Management. The Committee has power in accordance with policies and criteria adopted by the Board:

- to ensure that all human resource functions of the Board reflect best practice and comply with all relevant employment legislation including interaction with Trade Union or representative bodies and the implementation of the Code of Practice;
- to discuss with the Chief Executive or other designated officer, any report or audit of staff with particular regard to the requirements for the Board, its future development and operation;
- to consider all relevant reports in respect of the assessment, implementation and operation of appropriate targets and objectives and measurement of performance in relation to all staff to improve and maintain efficiency and professional standards;
- to discuss any report in relation to the introduction, implementation and operation of suitable training opportunities and career development of staff to ensure the delivery of a high quality customer service;
- to review any report in relation to any proceedings advised or issued by any member of staff;
- to assess and agree targets, standards of performance, goals and objectives in respect of the Chief Executive;
- to monitor the performance of the Chief Executive for the purpose of and within the terms and conditions of the contract of employment of the Chief Executive; and
- to consider any other matters when requested to do so by the Board.

During the year, the following Members sat on the committee:

Mr J D'Arcy (Chairman)  
Mr D O'Connor (Vice-Chairman)  
Mr B McAuley  
Ms R Mallon

## **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:

Mr P Turnbull (Chairman) – Resigned 4 March 2013.  
Mr P Cummings Vice Chairman and then Appointed Acting Chair 4 March 2013.  
Ms R Mallon  
Mr J D'Arcy

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 Governance Statement, 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 DCAL. The level of funding is agreed with DCAL as part of a rolling Funding Agreement. The current agreement covers financial years up to and including 2014/15. 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.

## **Sustainability**

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

Sports Council strategy is to ensure that:

- Energy usage is more efficient.
- Business travel where possible continues to be reduced through greater use of Video/Teleconferencing.
- Waste Management is controlled through the practice of reduce, reuse, repair and recycle.
- Biodiversity remains an element in planning for sports facilities and developments.

## **Sickness Absence Data**

The Sports Council had an average of 12.4 days absence per full time equivalent person in 2012/13 (10.09 days: 2011/12).

## **Personal Data Related Incidents**

There were no data related incidents during the year.

## **Payment Policy**

The Sports Council is committed to the prompt payment of bills for goods and services and aims to process bills within 10 days of receipt of the goods or services, or presentation of a valid invoice or similar demand, whichever is later. During 2012/13 Sports Council paid 91% (2011/12: 91%) 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 2013 was £15.471m (2011/12: £12.572m). The Council's share of the scheme liabilities was £18.944 (2011/12: £15.212m). The Sports Council's share of the scheme recorded net pension liabilities at 31 March 2013 was £3.473m (2011/12: £2.641m).

## **Chief Executive**

Eamonn McCartan was the Chief Executive and Accounting Officer for the period up to the 31 October 2012. From 1 June 2012, Nick Harkness, Director of Participation, has been appointed as Acting Chief Executive and Accounting Officer, until Antoinette McKeown the new Chief Executive takes up her post on 2 September 2013.

## **Annual Report - Management Commentary**

### **Financial Results**

The results of the Sports Council are set out in detail on page 50. The comprehensive net expenditure for the year was £19,690,417 (2011/12: £21,865,411). The reserves at the year-end show a surplus of £793,956 (2011/12: deficit £1,472,227).

### **Review of Activities**

Policy and strategy are reviewed, developed and updated through the three year corporate strategy cycle, business plan review and performance appraisals. The Sports Council measures its performance against 57 key performance indicators contained within the business plan 2012/13. The final outcome for the year identified that 53 (93%) were achieved and 4 (7%) were not achieved.

In addition to delivering on the agreed priorities identified within the business plan 2012/13 at the beginning of the year, the Sports Council also successfully delivered on five sports development projects aimed at addressing the following DCAL priorities: (1) child poverty, (2) neighbourhood renewal, (3) mental health and wellbeing, and (4) social inclusion. These additional projects are listed below:

1. Investment in Mountain Rescue;
2. ParkRun;
3. Midnight Soccer;
4. Disability Sport NI – 5 Star Sports Challenge; and
5. Promotional Campaign on Mental Wellbeing in Sport.

#### *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 enables both physical and psychological development while providing a vehicle for enjoyment and fun, but 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 this region.

## *1.1 Community Sport*

### *1.1.1 Activ8*

Activ8 is a participation campaign which encourages children and young people to do 60 minutes of physical activity every day. Activ8 promotes eight steps towards a more active and healthy lifestyle:

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

Building on the first Activ8 campaign in 2009, Sports Council has established a range of Activ8 projects to help increase participation in sport and physical activity. All Activ8 projects have been awarded the London 2012 Inspire Mark which provides a platform to drive the desire for an increase in participation, inspired by and beyond the 2012 Games.

In February 2013 Activ8 received a ‘Highly Commended’ award at the Northern Ireland Commissioners for Children and Young People (NICCY) Participation Awards under Category 2 ‘Creating space for young people in decision-making’. This was due to the level of engagement with, and decision-making by, young people involved in the Activ8 programme, and the Activ8 Young Leaders project in particular.

To date over 100,000 children have participated in Activ8. Activ8 has evolved to provide a wide and varied range of sports development projects for children and young people under:

#### Activ8 Eatwell

Sports Council worked in partnership with the Food Standards Agency (FSA) to develop a full suite of Activ8 Eatwell resources for Foundation Stage, Key Stage 1 and Key Stage 2. The resources were launched on 25 September 2012 by double Paralympic Gold Medallist Michael McKillop, and are available online ([www.activ8ni.net](http://www.activ8ni.net)). By the end of March 2013 over 240 schools were availing of this opportunity.

#### Activ8 Young Leaders

The project aims to provide active leadership skills to help young people motivate others within their schools/communities to get and stay active; minimise ‘drop out’ from participation during ‘transition’ times by linking secondary schools with their primary feeder schools, local sports clubs and higher and further education providers; and increase the number of young people and adults in sports clubs.

Each school forms an ‘Activ8 team’ of 5-7 young people. The teams are tasked with developing and delivering an Activ8 development plan for their schools. In order to do this, the teams must consider the eight key steps within the original Activ8 project and how these can increase participation in sport and/or physical activity within their schools, PE lessons, extra-curricular clubs, feeder primary schools, and community sports clubs.

In 2012-13 over 120 students from 12 schools across this region participated in the Young Leaders programme.

#### Activ8 Community Coaches Programme

This pilot programme saw 11 Active Communities coaches being trained to reinforce the key Activ8 Eatwell messages in community settings, i.e. sports clubs, leisure centres, lunchtime clubs, youth clubs, community centres, and so on, through a series of 'game cards'.

Six Activ8 Eatwell Game Cards have been developed to download from the Activ8 website, developed in conjunction with Armagh, Banbridge and Craigavon district councils.

This will further lay the foundations for lifelong participation in sport and physical activity and ensure that young children across this region are educated about the importance of an active lifestyle and a balanced diet.

#### Activ8 Wildcats Clubs

This is an extension of Activ8 which involves Sports Council joining forces with after-school multi-skills clubs, further encouraging primary school children to get active.

Participating clubs are branded as 'Activ8 Wildcats Clubs', leaflets are distributed to parents and schools, and each participating child receives an Activ8 Wildcats pack.

Activ8 Wildcats Clubs offer children aged 3-11 a unique form of physical activity that helps to develop their agility, balance and coordination in a non-sport specific setting.

The clubs are fully inclusive, providing opportunities for boys and girls, regardless of physical ability. They develop children's skills for sport and confidence in a fun, safe, challenging, and progressive way.

There are over 50 Activ8 Wildcats Clubs held at venues throughout this region, usually in 10-week blocks starting in September of each year. The clubs are run by local councils or community/voluntary groups, supported by Sports Council. Many clubs have links to Sports Council's Active Communities Programme and some coaching is provided by the Active Communities coaches.

The Activ8 Wildcats Coaching Resource underwent an evaluation and redevelopment which was completed in March 2012 by Leeds Metropolitan University; the new version was rolled out to clubs through training workshops.

2012-13 saw the introduction of the Activ8 Wildcats Mascots 'Twist' and 'Bounce' who have made appearances at schools, clubs and events across this region.

By the end of 2012-13 over 2,000 participants will have participated in over 50 Activ8 Wildcats Clubs across this region.

#### Activ8 Web Resource

The Activ8 web resource was developed in 2012 to provide the principle channel of communication that Sports Council uses to engage with active and potential participants of Activ8 Programmes.

The web resource supports the rollout of current Activ8 Programmes to promote participation amongst young people and will provide a platform for the rollout of future Activ8 programmes. Both individuals and schools are invited to register on the website to allow access to resources and to take part in Activ8 Challenges.

The Activ8 website hosted an online challenge 'Activ8 Road 2 London' which encouraged children to log their physical activity on the website to earn virtual miles and to make their personal 8,000 mile journey along the Olympic Torch Route. This pilot project was designed to educate children of primary school age about the benefits of healthy eating and physical activity, and to encourage children to complete at least 60 minutes of physical activity every day by linking their own physical activity to the Olympic torch relay around the United Kingdom.

The registration process of individuals and schools provided demographic data and the Activ8 Road 2 London Challenge provided data about the behavioural habits of participants:

- 740 individuals registered for the Activ8 Road 2 London Challenge. This included young people, their families, teachers and friends; and
- 200 schools registered on the Activ8 website to access Teaching Resources and take part in Activ8 Challenges.

Future challenges are being developed linking participation to the eight Activ8 Steps and major sporting events including the 2013 World Police and Fire Games and the 2014 Commonwealth Games in Glasgow.

The Activ8 web resource also houses a number of initiatives that engage participants such as Olympic and Paralympic word searches and colouring activities; all of which raise awareness and promote the core message that children and young people should be participate in 60 minutes of physical activity every day.

#### Activ8 Olympic Challenge

The Activ8 Olympic Challenge visits schools and events to provide young people with the opportunity to experience a mixture of Olympic and Paralympic sports.

Track and field sports such as javelin and hurdles, along with Paralympic sports such as boccia, and sports in the 2012 spotlight such as fencing, are brought to life along with the high wire obstacle course. Agility, balance and coordination are put to the test by the wooden bridge, cargo rope, balance beam, and rope bridge.

23,000 young people have taken the Olympic Challenge in their school or at events such as the Belfast Marathon, Blue Peter's Big Olympic Tour and the Queen's Garden Party at Stormont.

The Activ8 Challenge has been rebranded 'Activ8 Adventure' for 2013-14.

#### *1.1.2 Outdoor Recreation*

Sports Council continued to work in partnership with a number of other organisations including the Northern Ireland Environment Agency (NIEA), the Northern Ireland Tourist Board (NITB), the Department of Culture, Arts and Leisure (DCAL) and district councils to develop the new Outdoor Recreation Action Plan (ORAP) for Northern Ireland. A series of consultation events were held during 2012 which have highlighted seven key themes and 34 actions that need to be developed to improve the opportunities for responsible and sustainable sport and physical recreation in the natural environment.



The growth of participation in outdoor recreation has been raising issues of sustainability and impact on habitats and environmentally sensitive areas. Sports Council has been working closely with NIEA and local land management bodies on providing guidance and information on responsible and sustainable use of the natural environment. This has included running a seminar for organisers of events and the production of public information guides on responsible behaviour in the outdoors. These guides have been distributed through Tourist Information Centres, with dog licenses, through outdoor equipment retailers, with National Governing Body mailings, and via activity providers.

Sports Council's investment in Outdoor Recreation Northern Ireland (ORNI, formerly the Countryside Access and Activities Network) continues to deliver high quality information, facilities, infrastructure, and opportunities for participation in outdoor recreation in this region. ORNI has had notable success with National Trails Day (September 2012) which saw 5169 people taking part in 59 outdoor events across this region, which was an increase of 153% on 2011 numbers. Through the developmental and planning work of ORNI, mountain bike trail constructions in Rostrevor and Castlewellsan Forest Parks are on target to deliver over 50km of world class single track trails in the Mourne. The project which is costing £1.8m is being funded by NITB, Sports Council, Down District Council, and Newry and Mourne District Council.

Adventuremark is a non-statutory safety scheme developed by the Adventure Activity Industry Advisory Committee (AAIAC) for providers of adventurous activities who are outside of the scope of statutory licensing in Great Britain. Adventuremark is being promoted in this region in lieu of statutory licensing and provides reassurance to customers and participants that an activity provider's arrangements for managing the risks of adventure activities are appropriately documented and managed. A total of 25 activity providers have successfully achieved the standard and a communication plan is being rolled out to the youth, education and tourism sectors as the primary users of activity providers on the value of using accredited providers.

Sports Council continues to provide a secretariat function for the Northern Ireland Mountain, Cave and Cliff Rescue Coordinating Committee (NIMCCRCC). In 2012-13 this has also included ongoing discussions with DCAL and the Department of Justice (DOJ) as to the future arrangement for the strategic provision of the functions.

Sports Council supports the voluntary mountain and cave rescue teams in this region through funding, as well as providing technical training and advice. The teams currently supported are:

- The Mourne Mountain Rescue Team;
- The North West Mountain Rescue Team;
- The Irish Cave Rescue Organisation; and
- The Search and Rescue Dogs Association.

Sports Council has assisted the teams to avail of additional funding of £8,000 from the Department of Transport in Westminster and has provided three technical training courses for the teams through Tollymore National Outdoor Centre (TNOC) as follows:

- Five-day winter skills training in Scotland - 12 participants;
- Two-day technical skills training at TNOC - 14 participants; and
- Two-day search field skills and management course - 20 participants.

### *1.1.3 Disability Sport*

Sports Council remains committed to the implementation of its Disability Mainstreaming Policy.

A four-year cross-departmental investment into Special Olympics Ulster is now in its 2<sup>nd</sup> year of operation. This investment is channelled through Sports Council on behalf of DCAL, the Office of the First and Deputy First Minister and the Departments of Education, Social Development and Health.

Special Olympics Ulster is on course to meet its participation target, engaging 1,619 athletes with a learning disability in a structured year-long programme of sport.

Sports Council continued to work closely with Disability Sports Northern Ireland (DSNI) and subsequently a new three-year indicative funding package of £497,500 was agreed. This will take Sports Council's investment to March 2015. Highlights from this partnership working in 2012-13 include the hosting of a number of Pre-Games Training Camps in the run-up to the Paralympic Games and the publication of the Inclusive Sports Facilities Quality Accreditation Scheme.

### *1.1.4 Tollymore National Outdoor Centre (TNOC)*

TNOC has seen a 16% increase in the numbers of people participating across a range of adventure sports, such as high level canoesport leadership training and mountain leadership assessments. Other areas, such as mountain biking, have come to the forefront - TNOC was the first provider in this region to be awarded a licence from the Forest Service NI that enables us to provide mountain biking in Tollymore Forest.

In December 2012 TNOC was recognised by the William Keown Trust for its contribution to meeting the needs of sports people with a disability.

TNOC continues to provide leadership in adventure sports development in this region. In this respect, through TNOC, Sports Council also provides a secretariat function to Mountain Training NI, as part of a wider UK approach to mountain training in England, Scotland and Wales. This work also provides an interface with Mountaineering Ireland reflecting in North/South dimensions to this work.

The 2013 programme of courses boasts a number of exciting new developments, including a Mountaineering Instructor Award Training Course and a recognised governing body Hillwalking Skills Training Scheme. As the National Outdoor Centre for this region, TNOC continues to provide important services as a knowledge hub for adventure sports and as such facilitates knowledge exchange and exploitation opportunities for existing and prospective adventure sports participants and community, commercial and statutory providers.

## *2.0 Facilities*

### *2.1 Sport Matters - Community Capital Programme*

In 2010 Sports Council extended previously successful capital investment programmes, such as Building Sport and Places for Sport, which promoted access to new and improved sports facilities by creating the 'Sport Matters - Community Capital Programme' (SMCCP). Sports Council further recognised that a range of factors linked to capacity had prevented some communities from successfully securing investment in the past.

The SMCCP programme was written with the following aims:

- To support the outcomes of 'Sport Matters';
- To support the needs of low capacity applicants and areas of historically low uptake of Sports Council capital funding;
- To prioritise sports organisations/clubs (via a high weighted scoring) who have not received Sports Council capital funding in the last 10 years;
- To assist in the delivery of schemes aligned with the 'Active Places Research Report 2009 - Bridging the Gap';
- To cater for potentially, but not exclusively, for projects based at community halls which have the potential to provide sports and physical recreation; and
- To increase participation in sport for those who have not previously been engaged in sport and physical recreation.

An overarching imperative of the programme is that facilities developed as a result of awards made should be open to all sections of the community for the encouragement of the wide range of sports. Since April 2012, eight awards totalling £1,940,337 were made towards projects such as ORNI for the construction of a mountain bike trail system in Belfast; Eglinton Community Regeneration for the extension to a community building to include sports hall, community hall, and associated ancillary works; Mourne Heritage Trust to upgrade walking trails in the high Mournes; along with a number of pitch and floodlighting schemes across this region.

An additional two projects are being developed for spend in 2012-13, bringing the total investment made to £2m. A further 24 projects are in development to realise investments of £5m in 2013-14.

SMCCP's focus on investing in low capacity applicants demands a high level of support from Sports Council's Development Officers and other resources, to help applicants successfully develop their projects and deliver well-built, value for money facilities.

## *2.2 50m Pool*

The end of March 2013 saw the opening of the new Aurora Facility - a new leisure centre at Valentine Playing Fields in Bangor.

The new leisure centre will encompass the following:

- A 50m x 25m 10 lane swimming pool with a 25m x 15m diving facility, submersible booms and floating floors, together with village style changing areas and spectator viewing;
- A leisure water area with pool incorporating a wave machine and other attractions including flumes, sidewinder, pirate's galleon, bubble pool and spa pools;
- A fitness area with fitness studios and changing facilities;
- An eight-court sports hall with retractable spectator seating and associated stores;
- A Performance Development Centre for elite athletes;
- 3G synthetic external pitch and changing facilities;
- Function rooms;
- Cafeteria, seating and pool viewing area;
- Kids play area with play structure; and
- Staff offices.

Sports Council investment focused on the construction of a 50m swimming pool and the Performer Development Centre along with associated facilities and equipment.

The total project cost of c£37.84m remains on target; the total Sports Council/DCAL grant contribution (towards the 50m pool element of the project) of £14.43m was fully accrued by the end of October 2012.

The 50m pool project is a flagship project under Sports Council's Elite Facilities Programme, a programme aimed at meeting demand for Olympic sports facilities and leaving a legacy for this region post the 2012 Games. The facility will provide state of the art sports facilities for the North Down local community as well as training and strength and conditioning facilities for elite swimmers and athletes.

The key objectives/outcomes are as follows:

- To provide a facility that will allow elite swimmers to reach their full potential;
- To provide a development programme for elite swimmers which complements the 50 metre pool facility;
- To provide a facility which encourages greater numbers of people (especially young people) to become involved in sport and in particular swimming;
- To ensure the needs of local North Down residents are met and that the public are given sufficient access; and
- To provide facilities that can bring sporting competitions/events to this region, and in particular North Down, with associated economic benefits.

### *2.3 Pre Games Training Camps and Events*

Sports Council worked in conjunction with many of the governing bodies of sport, local councils and sporting venues to attract and secure athletes and teams to come to this region as part of their pre-Games training.

Attracting Pre-Games Training Camps and events was an important target for Sports Council as it represented a key role we could play in the 2012 Games, as well as providing an opportunity to showcase the high quality sporting facilities this region has.

The Pre-Games Training Events involved:

#### 17 countries choosing this region as the base for their Pre Games training:

- Chinese Men's and Women's Olympic Gymnastics Team - Salto, Lisburn (secured eight medals - four Gold, three Silver and one Bronze).
- Olympic Boxing Teams from Australia, Cuba, Canada, Ecuador, Puerto Rico and Argentina - Queens University, Belfast (secured four medals - two Gold and two Bronze).
- Paralympics Ireland - Antrim Forum (securing seven medals - five Gold and two bronze).
- Athletics Teams from Mexico, Qatar, Algeria, Djibouti, Oman, St Vincent and Grenadines, Egypt, and the Paralympic Council of Jordan- Antrim Forum (secured 1 medal - Gold).
- South African Badminton Team - Lisburn Racquets.

#### Three Pre-Games Training Qualifying Events:

- Boccia World Cup, University of Ulster, Jordanstown.
- Yonex Irish International Badminton Championship, Lisburn Racquets.
- Celtic Chrono Women Elite Cycling Time Trial in Belfast, Castlereagh, Ards and Bangor.

Five Pre-Games Training Events:

- The Indonesian Olympic Badminton Team Training Event - Lisburn Racquets Club.
- The Table Tennis Pre Games Training Tournament with Great Britain versus Spain in - Valley Leisure Centre, Newtownabbey.
- International Wheelchair Basketball Pre-Games Training Tournament - Antrim Forum with Italy, Poland and GB competing.
- Wheelchair Fencing Teams from Hungary, Russia and GB took part in a competition - University of Ulster.
- Hockey teams from South Africa, Scotland, Ireland and Wales competed - Lisnagarvey Hockey Club.

*3.0 Performance Sport*

Sports Council is committed to developing a world-class sporting system in this region, 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 enables athletes to improve athletic performance. This work requires the parallel development of systems for workforce development, sustained participation, coaching, talent identification /development, alongside sports science and medicine interventions and the provision of financial support to athletes, coaches and governing bodies.

*3.1 Investing in Performance Sport Programme*

During 2012-2013, Sports Council made awards to 34 organisations totalling £3,016,885. This is the fourth and final year of Sports Council investment into the process of designing and delivering high performance systems in selected sports in this region through its Investing in Performance Sport Programme.

Almost 90% of the investment has been targeted towards increasing the number of professional staff working within governing bodies, the Northern Ireland Sports Forum and the Northern Ireland Commonwealth Games Council. At the current time, 88 posts are in place supporting volunteers in sport and building expertise with regard to business, talent, coaching, and high performance systems.

The confirmed 2012-2013 awards represent a reduction of £489,825 of the 'in principle' awards for 2012-2013. This is due to a number of factors, namely budget cuts in the programme in 2010-2011, the decision not to proceed with some of the posts planned, and the withdrawal of three sports from the programme in Year 4.

Despite the reduction in investment, the programme is on track to achieve the majority of its targets during the year, and the term of the programme (2009-2013):

- 24 organisations have achieved either a 'Satisfactory' or 'Substantial' assurance rating following a Sports Council governance and management audit (2012-2013 business plan target = 22);
- 30 organisations are fully compliant with the World Anti-Doping Code. (2012-2013 business plan target = 34);
- 21 organisations have achieved a 'Reasonable' Assurance Level in the NSPCC Safeguarding Children and Vulnerable Adults audit governing the 'Getting it Right' Standards (business plan target = 25);
- 15 governing bodies have club accreditation systems in place (business plan target = 28 organisations to include local authorities; current position is 25). A further six schemes are in development or under consideration for development; and
- Four organisations have been assessed as having 'Effective' Talent Systems in place with a further 10 having been assessed to be 'Emerging' (business plan target = 8).

Many of the governing body staff employed through the Investing in Performance Sport Programme are working closely with the Sports Council to drive forward and improve standards of coaching, talent identification and development and club development, as outlined in Section 3.2.

### *3.2 Talent Systems*

#### *3.2.1 Talent Identification and Development*

Sports Council's Talent Identification and Development Programme enables the building and development of stronger systems to support talented athletes within governing body pathways and also the development of stronger local programme partnerships for sporting talent to be nurtured.

Governing body officers are delivering and implementing programmes of support to the most talented athletes regardless of age, gender, disability or social background. The established talent network has enabled talent knowledge to be accessed, shared and applied in practice to improve governing body staff and coaches working within the talent programme.

The Talent Officer Workshop Programme has focussed on:

- Sports psychology next steps;
- Coaching interaction;
- Developing talent; and
- Anti-doping support.

Sports Council has worked with targeted governing body coaches and a number of key partners to continue work on the following specific talent projects:

- Southern Sports Partnership Sports Academy; and
- North West Talent Project.

A programme of continuous coach development is ongoing to support identified governing body coaches working with young talented performers. Workshops have been delivered on:

- Developing Leadership;
- Know your Athletes Better;
- Time Management Strategies;
- Dealing with Teenage Athletes;
- Developing Confidence; and
- Lessons from Games.

### *3.2.2 Club Development*

Sports Council's Club Development and Accreditation Programme 'Clubmark NI' continues to grow and develop. Clubmark NI is delivered in partnership with 27 regional consortia or governing body partners, with a further four organisations currently developing additional schemes. The programme is currently supporting the development and raising the profile of over 280 clubs.

Club development remains an important element of Sports Council's work to support governing bodies. A substantial and in-depth analysis of the club development systems within 33 governing bodies has been undertaken and collated. This analysis identifies areas of strength within each system as well as areas for further development. The system analysis investigated aspects including governing body planning for club development; communication; club needs analysis; club support services; club education opportunities; club accreditation; recognition; and profile raising of clubs.

To support the development needs of club development officers, the sharing of good practice and facilitation of peer problem solving, Sports Council formed a governing body 'Club Development Network'. The network is now well established and includes membership of club development related staff from 16 governing bodies. Content for network events includes sessions led by Sports Council, network members and organisations offering specific expertise or insight in a specific theme. Examples of this included an insight into the player development principles relating to clubs of New Zealand Rugby, programmes relating to business skills in sports clubs and volunteer management.

### *3.2.3 Coaching Development 2012-13*

#### Coaching Children

The publication of the UK Coaching Children Action Plan and Coaching Children Curriculum has provided an increased focus on the importance of providing specific support for coaches of children. Following on from a successful event in June 2011, Sports Council facilitated the 2<sup>nd</sup> Coaching Children Day in September 2012, providing a series of tailored workshops and personal development opportunities for full-time coaches from the Department of Education Northern Ireland's (DENI) Curriculum Sports and Active Communities Programme during the day and volunteer club-based coaches in the evening. More than 120 coaches attended the day and the post-event evaluation would indicate that it proved to be a valuable learning and development opportunity for those in attendance with:

- 100% of coaches rating the event as 'good' or 'excellent'; and
- 90% of coaches indicated that they would attend if a similar event was organised in the future.

### Coaching Development Network

The Northern Ireland Coaching Development Network continues to grow and develop. The Network came together in May and November of 2012 to discuss and address challenges relating to workforce planning, supporting club-based coaches and providing targeted development for talent and high performance coaches.

Supported and facilitated by Sports Council, the Network, which has representation from governing bodies, local authorities, further and higher education, sports coach UK, and Coaching Ireland was established in late 2009 to:

- Encourage a collective approach to problem solving;
- Share best practice;
- Provide an external support mechanism;
- Utilise the strengths of individuals; and
- Support the personal development of officers with a remit for coaching development.

Feedback from a recent review of the Network has been very positive and would indicate that it is a forum worth supporting and developing throughout the 2013-17 investment cycle:

*“Thank you for organising and facilitating yet another excellent Coaching Network. The sessions are proving extremely beneficial to the Partnership and myself personally. Coming from a local authority context the two days twice a year enables me to develop or expand on relationships with the various National Governing Bodies in attendance and greatly enhances our programme of delivery.”*

*“The Network has been a tremendous support initiative for Ulster Hockey, myself as a NGB Officer and all of the partners represented. I feel there is a community of practice aspect that has been developed within the Network and with that comes a feeling of confidence and security to be honest and open about the challenges you are facing. That is quite unique in a professional setting.”*

### Coaching Development Planning

Sports Council continues to work closely with sports coach UK and Coaching Ireland to support identified governing bodies/Ulster Branches in the production of coaching delivery plans and to establish effective systems for the development of coaching within their organisations. In 2012 Sports Council also developed a revised coaching self-evaluation template enabling the governing bodies to benchmark their current systems against recognised best practice, discuss and identify priorities for future development internally, and externally and utilise this analysis in their ‘pitches’ for 2013-17 investment.

### Supporting Club-Based Coaches

The Canoe Association of Northern Ireland’s (CANI) reputation for investing in the development of quality local clubs was further enhanced in 2012 when they became the first governing body in this region to deliver the recently accredited sports coach UK ‘Supporting Coaches’ Workshop. The workshop provides a combination of recent coaching research, interactive tasks, group work, and best practice tools and resources, and aims to support those people who manage and develop coaches to:

- Identify methods and good practice examples in the recruitment of coaches;
- Recognise importance of developing coaches and understand the tools to use to support this; and
- Appreciate how successful coach support can help retain coaches.



Initial feedback from the attendees has been extremely positive and the governing body is keen to broaden access to the workshop to ensure it supports their existing club development:

*“This workshop really highlighted the excellent work going on in our local clubs, whilst at the same time emphasising how this could be improved to ensure the volunteer coach is valued, developed and retained, in an environment where payment of coaches would simply not be sustainable. It also fits really well with the wider club development work taking place within canoeing, particularly through the Clubmark NI scheme and those clubs that are working towards accreditation will undoubtedly have benefitted through their attendance.”*

Sports Council has facilitated the development and orientation of tutors in a further 10 organisations to support the wider roll-out of the workshop and enhance the level of support available to club-based coaches throughout this region.

Mentoring has been identified by the network as a key coaching system priority to progress. Throughout 2011/12, the cross-sport mentoring project was piloted in partnership with Ulster Hockey, Ulster Rugby, Cricket Ireland and sports coach UK, leading to the production of a supporting resource for governing bodies and other key partners - *‘Planning and Managing a Mentoring Programme in Sport’* in June 2012. To further progress the area, Sports Council facilitated a range of education and development opportunities throughout 2012-13, including the delivery of sports coach UK Mentor Training and the Level 3 Award in Workforce Mentoring. A total of 30 people, representing 14 different sports and partner organisations, have benefited.

#### North West Coaching and Club Development Project

Sports Council continues to lead the delivery of the North West Coaching and Club Development Project across Derry City Council, Strabane and Omagh District Council, Sligo, and Donegal County Council. The project has been very successful in establishing clear systems which support the development of coaches and clubs across this region. In 2012-13 specific success was achieved through the delivery of a talent programme which targeted both coaches and athletes in the sports of hockey, rugby, sport-climbing and wrestling, with judo joining the programme in the second phase. The project, which was showcased at the 2012 UK Coaching Summit, has also attracted additional funding from Peace III, enabling a Regional Club and Coach Development Programme and 2<sup>nd</sup> North West Coaching Forum to be delivered.

#### *3.2.4 Practitioner Development Programme*

The Practitioner Development Programme (PDP) is a Sports Council funded programme that aims to develop the next generation of coaches, scientists and medics for this region’s sporting performance system. PDP is modelled on the highly successful fast-track programme used by UK Sport to assemble their current batch of coaches and practitioners.

During 2012, seven practitioners from coaching and support personnel backgrounds availed of a financial bursary to support personal development opportunities, and attended a series of workshops that allowed them to reflect on their particular coaching style and initiate and support positive changes within their work environments.

### *3.2.5 Anti-Doping*

#### World Anti-Doping Code Compliance

Sports Council continues to work closely with governing bodies ensuring they have optimum anti-doping policies and procedures compliant with the World Anti-Doping Code. The number of sports who have now achieved full anti-doping code compliance status is 354. The World Anti-Doping Code Review (2012-2013) is currently in progress, culminating in the 2015 Code being presented to the World Conference in November 2013. The uniqueness of the anti-doping landscape in this region ensures Sports Council continues to provide valuable feedback into this Code review process via the key stakeholders - Irish Sports Council and UK Anti-Doping.

#### 'Pure Winner' Education Programme

The 'Pure Winner' Education Programme continues to gain recognition throughout Ireland. Education workshops were held throughout the year including Athletics NI Youth Academy; Swim Ulster Junior and Senior Squad members, parents and Outreach sessions at Swim Ireland Long Course Championships; IRFU Sports Science and Medicine Conference, and various sport specific coaching conferences.

98% of respondents rated the anti-doping education service provided by Sports Council as 'good' or 'excellent'. (KPI 4.4.2 target 80%). 98% of respondents agreed that they gained new knowledge from the Pure Winner workshops.

The topic of clean sport has been introduced into the Sports Council Talent Network with the aim of embedding education initiatives into sports talent systems. Work has also continued with new targeted sports on the development of anti-doping education strategies, and innovative network sessions were organised, evaluating and sharing initiatives during the strategy review process for other sports.

*"Compiling an education strategy really focused Cycling Ireland to look at what we were delivering in terms of education. It has forced the CI Board to be more cognisant of the whole area of Anti-Doping Education."*

*Declan Byrne, Anti-Doping Officer, Cycling Ireland*

The Sports Council Anti-Doping Education Officer accepted a personal invitation to work within the World Anti-Doping Agency Outreach Team delivering education to athletes and athlete support personnel in all sports at the 2012 Games. Visual credibility of the Sports Council Pure Winner Programme increased and the knowledge gained afforded enhancement of current programme areas.

The future of Sports Council's role in anti-doping education has been considered and a plan for the way forward to coincide with Performance Focus 2013-2017 is at the final development stage. This 'Clean Sport Strategy' sets out key objectives for Sports Council, fully aligned to the strategic action areas of the National Anti-Doping Organisations - UK Anti-Doping and the Irish Sports Council - and will provide a framework for the development of systems and tools to enhance this critical area of Sports Council work.

#### *4.0 Sporting Events*

Hosting major events is an opportune way to showcase what this region has to offer, and enhance its image on the world stage. Sporting events, large or small, provide an excellent opportunity 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 in general.

Sports Council sponsored the following events:

##### *4.1 Belfast City Marathon*

The Belfast City Marathon is the largest sporting participatory event in this region bringing participants from all areas of the globe to the streets of Belfast.

Celebrating its 31<sup>st</sup> year, the marathon provides categories for all abilities including the Marathon Run, Marathon Walk, Team Relay or Fun Run.

Over 20,000 took part with Urga Negewo from Ethiopia clinching first place for the men with a time of 2:13:41, and Alice Chelangat from Kenya winning the women's race in 2:39:02.

Sports Council, in partnership with Belfast City Marathon, delivers the 'Activ8 Fun Run' on the day of the Marathon. The Activ8 Fun Run gives families and young people an opportunity to participate in a mass participation event, where they can run the three mile race from Belfast City Hall to Ormeau Park.

##### *4.2 Runher*

The popular female-only race is fast becoming a regular fixture on the athletics calendar. Now with two annual events (this year in May and October), the event is now in its sixth year and is going from strength to strength. Participants have increased ten-fold since the first year to over 2,500 in 2012. Runher is now the third-biggest indigenous running event in this region, behind the Belfast Marathon and the Lisburn Half Marathon.

##### *4.3 Milk Cup*

Since it began in 1983, the Milk Cup has grown into one of the most prestigious and successful football competitions in the world. The competition brings together the finest of young footballing talent from across the globe; bringing the excitement and challenge of competing to the young players and officials and great entertainment for the spectators. Many famous names have graced this competition in the past with players such as Wayne Rooney, Ryan Giggs, David Beckham, Robbie Fowler and Peter Crouch all competing.

Now in its 30th year, the Milk Cup continues to provide a great opportunity for young players to experience international competition at the highest level. Mexico took the Elite crown, beating last year's winner Denmark 3:0; Desportivo Brasil beat Newcastle United 3:0 to triumph in the Premier section; and Brentford FC Everton won the Junior category.

#### *4.4 Foyle Cup*

The Foyle Cup began in 1992 at the request of Derry City Council as part of Impact 92 programme. In the first year the event was essentially Northern Ireland based and clubs affiliated to the Northern Ireland Boys Football Association were invited to participate. It was staged over one day, with eight teams taking part in an U14 and U16 event.

The event began to attract interest from further afield and demand for places in the tournament increased. The quality of entry has increased steadily each year with the top clubs in this region, England, Scotland, and Republic of Ireland travelling to Londonderry/Derry to compete as well as a few annual entries from mainland Europe and North America.

2012 saw a record 164 teams competing; with Hearts scoring a double victory in the U12 and U14, and Derry and District Youth FA claiming the trophy in the U16.

#### *5.0 Sport Management Services*

Sport Management Services are seen to be the ‘backbone’ of the Sports Council - ensuring efficient and effective administration in sport. The Sport Management Services Unit provides a good working environment for the whole organisation through effective delivery of: Financial Management; Human Resources; Information Systems; Internal Audit and Risk Management; Investment Assurance; Communications; and Policy Planning and Research.

#### *5.1 Sport Matters*

Sports Council, in partnership with DCAL and the Chief Leisure Officers Association (CLOA), aims to contribute towards evidence-based decision making in sport to realise strategic policy, reinforce the case for the value of sport and enhance the effectiveness of investment in achieving our shared vision of creating a culture of lifelong enjoyment and success in sport.

In order to achieve these aims the Policy, Planning and Research (PPR) team commissioned and launched various research reports since 2010. In addition, PPR coordinated a Sport Matters roadshow in five venues across this region as part of raising awareness of the value of sport and delivering the findings from each research report.

The following benefits of the roadshows for Sports Council and attendees included:

- Interested parties had a clearer and more comprehensive understanding of the type of research and topics that are being investigated at present, thereby assisting them in designing and carrying out their own research;
- Informing interested parties of research that is underway or been completed - guests benefited from this during the roadshow and it helped provide sources of information after the roadshow when they are conducting their own research;
- Improved the way in which they are developing sport and passing knowledge on to others - those who attended use what they have learnt to improve the performance of others and to teach others;
- Increased brand awareness of Sports Council, its partners and our involvement in sports research and development - Sports Council branded stands were used at the roadshows; and
- Enabling sports development community to raise the level of sporting excellence through methods used throughout the world.

## 5.2 Research

In 2006, the international comparative research of six nations was presented under the banner of ‘SPLISS’ (Sport Policy factors Leading to International Sporting Success). In 2010 a second SPLISS study was launched involving 16 nations of which this region is one of the new members of the consortium.

The model adopts an athlete centred approach in trying to conceptualise:

*“How should elite sport policies function so that elite athletes can train and perform in optimal circumstances at each stage of their careers, with access to good facilities, surrounded by high quality coaches and medical support.”*

(De Bosscher et al., 2008, p.23)

In order to make an assessment of the elite sports climate in this region relevant data was considered which relate to the nine SPLISS pillars. In assessing this region’s competitive position, more than 100 critical success factors (CSFs) are considered across the nine pillars:

1. Financial support
2. An integrated approach to policy development
3. Participation in sport
4. Talent identification and development system
5. Athletic and post career support
6. Training facilities
7. Coaching provision and coach development
8. (Inter)national competition
9. Scientific research and innovation

## 5.3 Promoting Fair Play in Sport - A guide to sport and the equality legislation in Northern Ireland

The world of sport is made up of a potent mix of relationships involving participants, spectators, coaches, administrators and volunteers, all from varied backgrounds and all with very different identities.

This diversity can be one very positive aspect of sport, but it also reminds us of the need to ensure that fair play operates at all levels. Sports Council is committed to helping promote fairness in sport and in this role would encourage everyone involved in sport to enjoy difference - to participate, celebrate and tolerate.

Equality legislation helps reinforce our commitment to fairness in sport. This short guide has been produced to help sporting organisations understand the law and operate best practice within it. The guide does not aim to provide a comprehensive and definitive statement of the law but instead highlights key legislation and its impact on the world of sport. While Sports Council encourages the promotion of equality of opportunity and good relations through its work, it also acknowledges that from time to time relations between individuals and groups may break down. It is in these circumstances that the law becomes of great significance, and to deal with problems that may come along increasingly sports clubs and governing bodies must have an understanding of their responsibilities and obligations under the law.

#### *5.4 New UK-Wide Equality Standard for Sport*

Sports Council, in partnership with Sport England, SportScotland, Sport Wales, and UK Sport have developed a new vehicle for widening access and increasing the participation and involvement in sport and physical activity by underrepresented individuals, groups and communities. The Equality Standard will assist sports' organisations in developing equality-proofed policies and robust action plans and allow for performance to be assessed, ensuring continuous improvement.

PPR took over this area of work in October 2010. By attending quarterly Sports Council's Equality Group (SCEG) meetings and working with Sports Council's Equality Consultant, PPR assisted in finalising the framework. In March 2011 the new UK-Wide Equality Standard was launched. Within this region eight sporting organisations signed up to complete foundation level:

1. Irish Football Association
2. Ulster Council Gaelic Athletic Association
3. Irish Rugby Football Union Ulster Branch
4. Ulster Hockey Union
5. Cricket Ireland
6. Outdoor Recreation NI
7. NI Sports Forum
8. Disability Sports NI.

During April - December 2012 all of the eight organisations who signed up to the Equality Standard have commenced working on the requirements contained within foundation level, following initial meetings with each of the organisations. To aid their progress with one of the criteria, Sports Council worked with the Equality Commission to create an audit template which will assist organisations in profiling their Board and staff members against each of the Section 75 categories.

#### *5.5 Monitoring*

Over the last six years Sports Council has invested over £60m in Capital projects which are monitored for a period of five years. A total of 137 projects are not complete and have entered Sports Council's monitoring framework. A total of 102 projects submitted End of Year monitoring returns in April 2012. Following evaluations of the reports it showed a total of 172,911 participants took part in sport and physical activity at these projects throughout the year against a target of 92,851. Going forward 137 projects will be required to submit returns in April 2013.

As well as the evaluation of End of Year reports, regular monitoring is carried out to ensure that the investment has been used for the purpose for which it was granted, ascertains if a project has achieved aims and objectives, identifies problems early in the project lifecycle enabling timely resolution, examines the impact of awards both on individual projects and on wider areas of sports development, and safeguards the Council's reputation as a responsible distributor of grants.

#### **Significant Changes in Non Current Assets**

The movement on non-current assets is set out in notes 9 and 10 to the financial statements. The carrying amount of assets decreased from £6,437,282 to £6,021,444. This related significantly to the downward valuation of Tollymore National Outdoor Centre, based on updated indexes from Land and Property Services. Depreciation and amortisation charges for the year were £555,374.

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

The general reserve showed a surplus of £3,954,967 (2011/12: surplus £708,097) 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 balance 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 a £25,000 notional cost (2011/12: £25,000 notional cost).

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.

## **Annual Report - Remuneration Report**

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

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

As part of the annual pay award, all staff with acceptable performance receive a base pay uplift. There is also a 'Special Bonus Scheme' in place which rewards exceptional performers with a non-consolidated bonus. The non-consolidated bonuses are payable to a proportion of staff as part of the annual pay award. The Staffing Committee agreed that no payments would be made for performance during 2012/13. The pay remit for 2011/12 was approved by the Department of Finance and Personnel and paid in April 2012. The pay remit for 2012/13 has been submitted to DCAL for approval.

The Acting 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 2012/13 pay award. The pay remit for 2009/10 was approved by DFP and paid in August 2012. Following the two-year pay freeze for 2010/11 and 2011/12, the pay remit for 2012/13 is currently being prepared for submission to DCAL shortly.

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</b>
Mr J D'Arcy (Chairman)
Mr D O'Connor (Vice Chairman)
Mr B McAuley
Ms R Mallon

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

During 2012/13 the Chief Executive had a period of sickness absence commencing in May 2012, he remained on sickness absence until he retired on 31 October 2012. During his period of absence, Sports Council appointed an Acting Chief Executive from 1 June 2012, who will remain in this position until the new Chief Executive takes up her position on the 2 September 2013. Due to the Acting Chief Executive being filled internally, a subsequent vacancy was then created and an Acting Director of Participation was appointed in September 2012.

### **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. The notice period or compensation for early termination (other than for misconduct) of a contract is 3 months for the Chief Executive and Directors. Policy relating to notice periods and termination payments is contained in the Sports Council Staff Handbook and individual Terms and Conditions of Employment.

### **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>2012-13</b>			<b>2011-12</b>		
	<b>Salary £'000</b>	<b>Bonus £'000</b>	<b>Benefits in kind (to nearest £100)</b>	<b>Salary £'000</b>	<b>Bonus £'000</b>	<b>Benefits in kind (to nearest £100)</b>
Eamonn McCartan Previous Chief Executive (until 31 October 2012)	70-75 (90-95 full year equivalent)	-	200	90-95	-	200
Nick Harkness Director of Participation (until 31 May 2012)	10-15 (60-65 full year equivalent)	-	200	60-65	-	200
Acting Chief Executive (from 1 June 2012)	50-55 (60-65 full year equivalent)					
Shaun Ogle Director of Performance	65-70	-	200	60-65	-	200
Andrew Sloan Director of Corporate Services	65-70	-	200	60-65	-	200
John News Acting Director of Participation (from 14 September 2012)	30-35 (55-60 full year equivalent)	-	200	-	-	-
Band of Highest Paid Director's Total Remuneration	65-70			90-95		
Median Total Remuneration	29,088			28,355		
Ratio	2.3			3.3 Restated		

Salary costs disclosed for 2012/13, include salary arrears from previous financial years.

Eamonn McCartan, previous Chief Executive was appointed in June 1994. This position is permanent within the definition above, as are the executive director positions. During 2012/13 the Chief Executive had a period of sickness absence commencing in May 2012, he remained on sickness absence until he retired on 31 October 2012. From 1 June 2012, Nick Harkness, Director of Participation, has been appointed as Acting Chief Executive and Accounting Officer. He will remain in post until Antoinette McKeown the new Chief Executive takes up her post on 2 September 2013. From 14 September 2012, John News was appointed as Acting Director of Participation and shall remain in post until September 2013.

### **Sports Council Members Emoluments**

The Chairman finished his term on 10 September 2012, he received honorarium totalling £4,444 (full year equivalent £10,000) during 2012/13 (2011/12: £10,000). The Chairman's honorarium is not recharged to the Lottery Distribution Account. The Vice-Chairman finished his term on 31 July 2012, he received £1,167 (full year equivalent £3,500) during 2012/13 (2011/12: £3,500), and this was fully recharged to the Lottery Distribution Account. An Interim Chairman was appointed from 11 September 2012 and remained in post until a new Chairman commenced his position on 1 December 2012. An Interim Vice-Chairman was also appointed on 11 September 2012 who is still currently in post. Both the Interim Chairman and Interim Vice-Chairman requested not to be remunerated for their roles. The new Chairman received honorarium totalling £3,333 (full year equivalent £10,000) during 2012/13. The recruitment of a new Vice-Chairman will be progressed by DCAL.

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; 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*

There is currently a PAYE Settlement Agreement in place which covers the payment of tax and NIC in respect of all luncheon vouchers paid to staff.

### *Bonuses*

No bonus will be paid for the performance period 2012/13.

### *Core Exit Packages*

The Sports Council processed no exit packages.

### *Sports Council Pensions*

The Sports Council participates in the Northern Ireland Local Government Officers' Superannuation Committee Scheme (NILGOSC) and made contributions for 128 employees, of which, 26 were employed for part of the year and 9 were due to the payment of superannuable arrears. 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 its behalf. During the year 8 staff were recharged to Lottery.

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

Employee contribution rates are based on pensionable pay and are in the range 5.5%-7.5%. For 2012/13 the rates were as follows:

Band	Range	Contribution Rate
1	£0 - £13,500	5.5%
2	£13,501 - £15,800	5.8%
3	£15,801 - £20,400	5.9%
4	£20,401 - £34,000	6.5%
5	£34,001 - £45,500	6.8%
6	£45,501 - £85,300	7.2%
7	More than £85,300	7.5%

The employer contribution rate for 2012/13 was 19%.

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

Further details about the NILGOSC pension scheme can be found at the website [www.nilgosc.org.uk](http://www.nilgosc.org.uk) and note 4 to the accounts.

#### Audited Information

Employee	Accrued pension at age 65 as at 31/3/13 and related lump sum	Real increase in pension and related lump sum at age 65	CETV at 31/3/13	CETV at 31/3/12	Real increase in CETV
	£'000s	£'000s	£'000s	£'000s	£'000s
Eamonn McCartan Previous Chief Executive (until 31 October 2012)	40-45 plus 105-110 lump sum	0-2.5 plus 2.5-5 lump sum	935	884	39
Nick Harkness Acting Chief Executive	20-25 plus 55-60 lump sum	0-2.5 plus 0-2.5 lump sum	404	371	25
Shaun Ogle Director of Performance	20-25 plus 55-60 lump sum	0-2.5 plus 0-2.5 lump sum	417	381	27
Andrew Sloan Director of Corporate Services	10-15 plus 25-30 lump sum	0-2.5 plus (0-2.5) lump sum	193	174	15
John News Acting Director of Participation	10-15 plus 25-30 lump sum	0-2.5 plus 0-2.5 lump sum	151	133	17

*Cash Equivalent Transfer Values*

A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which disclosure applies. The CETV figures, and from 2003-04 the other pension details, include the value of any pension benefit in another scheme or arrangement which the individual has transferred to the NILGOSC pension arrangements. They also include any additional pension benefit accrued to the member as a result of their purchasing additional years of pension service in the scheme at their own cost. CETVs are calculated in accordance with The Occupational Pension Schemes (Transfer Values) (Amendment) Regulations and do not take account of any actual or potential reduction to benefits resulting from Lifetime Allowance Tax which may be due when pension benefits are taken.

*Real increase in CETV*

This reflects the increase in CETV effectively funded by the employer. It does not include the increase in accrued pension due to inflation, contributions paid by the employee (including the value of any benefits transferred from another pension scheme or arrangement) and uses common market valuation factors for the start and end of the period.



**Nick Harkness**  
**Acting Chief Executive and Accounting Officer**  
**Sports Council for Northern Ireland**

**Date: 28 June 2013**

## **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 Acting 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).

Eamonn McCartan was the Chief Executive and Accounting Officer up to 31 October 2012. From the 1 June 2012, Nick Harkness, Director of Participation, has been appointed as Acting Chief Executive and Accounting Officer. He will remain in post until Antoinette McKeown the new Chief Executive takes up her post on the 2 September 2013.

## **Annual Governance Statement**

### **Scope of Responsibility**

As Accounting Officer, I have responsibility for ensuring the Sports Council's business is conducted in accordance with the law and proper standards, and that public money is properly accounted for, and used economically, efficiently and effectively. In discharging this overall responsibility, I am responsible for ensuring that there exists a robust framework of governance and accountability designed to instil a sound system of internal control, manage risk and support the achievements of the Sports Council's 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 Northern Ireland; and ensuring compliance with the requirement of the Sports Council's Management Statement, Financial Memorandum and Statement of Financial Requirements.

I was appointed on the 1 June 2012, prior to that I obtained assurances on governance from discussions and meetings and updates I had with the previous Chief Executive and Accounting Officer and current Directors of Sports Council.

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

The governance framework comprises the systems and processes, and culture and values, by which the Sports Council is directed and controlled and the activities through which it accounts to, engages with the public and other stakeholders. It enables the Sports Council to monitor the achievement of its strategic objectives and to consider whether those objectives have led to the delivery of appropriate and value for money services and facilities.

The system of internal control is a significant part of that framework and is designed to manage risk to a reasonable level. It cannot eliminate all risk of failure to achieve policies, aims and objectives, and 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 governance framework has been in place the Sports Council for the year ended 31 March 2013 and up to the date of approval of the annual report and accounts.

### **The Governance Framework**

The key elements of the systems and processes that comprise the Sports Council's governance arrangements are:

1. *Identifying and Communicating the Sports Council's Vision of its Purpose and Intended Outcomes*

My responsibilities include ensuring that the Sports Council produces a three-year corporate plan and an annual business plan within the timescales agreed with the Department of Culture Arts and Leisure (DCAL). The corporate plan helps the Sports Council focus on the future. It sets out the values and investment principles that the Sports Council wants to create and the key issues that it intends to focus on over the next three years. In doing this, the corporate plan provides a sense of direction for the Sports Council, by having an outward focus it helps deal with a changing external environment and helps to ensure that the plan is relevant and connected to the needs of the Northern Ireland public.

The corporate plan for the period 2011-2015, which was approved by DCAL on 21 July 2011 and by Board Members on 2 August 2011, was developed in consultation with DCAL and the Sports Council Members. The plans and priorities are in line with “Sport Matters: The Northern Ireland Strategy for Sport and Physical Recreation 2009-19”. The corporate plan also contains baseline resources required to effectively deliver against the specified high level targets and outcomes in Sports Matters. A new corporate strategy for 2012-2015 has been developed, following DCAL’s decision to undertake further stages of the Regional Stadium Programme in-house. The draft plan is currently with DCAL for review and approval.

Policy and strategy which is developed from the corporate plan, is communicated to internal and external stakeholders through electronic media, internal communications systems, induction, roadshows, seminars, community magazines and training and awareness. Section 75 consultation is undertaken with all new policies/programmes.

2. *Reviewing the Sports Council’s Vision and its Implications for the the Sports Council’s Governance Arrangements*

Policy and strategy are reviewed, developed and updated through the three year corporate strategy cycle, business plan review and performance appraisals. The plans are reviewed regularly by senior management and by the Board to determine progress. Quarterly Assurance Reports are provided to officials from DCAL and are supported by quarterly accountability meetings where progress against strategic objectives and management of emergent issues are reviewed.

In June 2012, DCAL submitted to the Sports Council, its ‘Emerging Findings Report from’ its assessment of the Sports Council as part of the overall Stage 1 Review of its Arms-Length Bodies (ALB). The Emerging Findings Report highlighted areas where governance and performance issues within the Sports Council required a fresh approach.

The Board of the Sports Council mandated the Audit and Risk Management Committee (ARMC) to undertake an evaluation of the framework of governance within the Sports Council. This evaluation took the form of an independent review which the Chartered Institute of Public Finance and Accountancy (CIPFA) was commissioned to complete in July 2012. As a result of the review a Governance Improvement plan and team were set up which by February 2013 updated DCAL with progress and produced a change delivery plan for embedding a new framework. A follow up self-assessment will be carried out in 2013/14.

3. *Measuring the Quality of Service, Ensuring Delivered in Accordance with the Sports Council’s Objectives and for Ensuring that they Represent the Best Use of Resources*

The Sports Council uses the following framework within the business plan for setting and monitoring key performance indicators, which ensure quality of service and that objectives are met in line with limited resources:

- Strategic Priorities and aims;
- Programmes and business areas;
- Key Performance Indicators (Corporate KPIs highlighted in blue);
- Baselines and actual figures for 2011-12;
- Output targets for 2012-13;
- Resource allocation;
- Reference to the relevant Sport Matters and Public Service Agreement (PSA) targets; and
- Lead Officer responsible for programme area(s).

The Sports Council measures its performance against 57 key performance indicators contained within the business plan 2012/13. The final outturn for the year identified that 53 (93%) were achieved and 4 (7%) were not achieved.

Financial performance is assessed through the preparation of management accounts, which are reported to the Board bi-monthly. The National Lottery Distribution Fund (NLDF) policy is reviewed annually to ensure that targets are in place for minimising the balance held and that investments are strategic led.

4. *Defining and Documenting the Roles and Responsibilities of the Executive, Non-Executive, Scrutiny and Officer Functions, with Clear Delegation Arrangements and Protocols for Effective Communication*

As Accounting Officer, I act in accordance with both the Management Statement and Financial Memorandum, and the Department of Finance and Personnel (DFP) Memorandum, "The Responsibilities of a Non Departmental Public Body Accounting Officer", which sets out my accounting responsibilities. The Management Statement and Financial Memorandum sets out the relationship between DCAL and the Sports Northern Ireland, and defines the financial and administrative framework within which the Sports Council operates. The 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. These documents 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.

Non-executive governance is undertaken by Sports Council Board Members which at the year-end consisted of the Chairman, Acting Vice-Chairman and ten other members appointed by DCAL. Further details are contained in the annual report on page 6. The 2012/13 attendance record for Board Members is detailed in the table on the following page.

The Board operates a committee system, under which committees report to the Board as a whole (see pages 4-5). A number of committees operated at the start of the year, however through a review of processes they were reduced to Audit and Risk Management Committee and Staffing Committee. Each committee has its own terms of reference delegated by the Board, outlined within the Sports Council Scheme of Delegation. The Scheme of Delegation serves as a tool for the Board to regularly review, at a glance, where it makes decisions and on what issues, and whether it wishes to delegate more or less decision-making authority to the Chief Executive. It also serves as a guide and enables the Sports Council staff where they have authority to make decisions. A Financial Delegation Limits Policy governs decisions on awards and contracts. Delegated decisions operate at senior management and Board level. This policy which is annexed to the Scheme of Delegation was updated in February 2013.

Executive management is led by Sports Council's Senior Management Team (SMT) which consists of three Directors and myself. The SMT meets formally each month, but members are in contact at least weekly. All members of SMT attend Board meetings. SMT considers key policy, strategic and operational matters, provides advice to the Board on matters requiring its approval and oversees the performance and risk management of Sports Council as a whole.

Appropriate management structures have been created by Directors throughout the organisation to oversee their respective divisions, programmes and projects being operated through Sports Council. Information flows to and from the Sports Council Board meetings by way of reports prepared by officers with recommendations when appropriate, and minutes prepared. The Sports Council and committee minutes are placed onto the intranet to which all staff have access, and decisions are actioned by senior management via a series of meetings. The Sports Council minutes are available on the internet for the public to access.



**Board Meeting Attendance 2012/13**

	<b>Date of Meeting</b>											
<b>Name</b>	<b>30/3/12</b>	<b>1/5/12</b>	<b>18/5/12</b>	<b>14/6/12</b>	<b>4/7/12</b>	<b>31/7/12</b>	<b>15/8/12</b>	<b>10/9/12</b>	<b>16/10/12</b>	<b>13/11/12</b>	<b>12/12/12</b>	<b>5/2/13</b>
B Henning	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	√	√
D Walsh	√	√	√	√	√	√	√	√	N/A	N/A	N/A	N/A
A Moneypenny	√	√	√	√	x	√	N/A	N/A	N/A	N/A	N/A	N/A
G Campbell	√	√	x	x	√	x	√	√	x	√	√	√
R Carr	x	√	√	x	x	x	x	x	x	√	x	x
M Cowan	√	x	x	√	x	x	√	√	√	x	x	√
P Cummings	√	√	x	x	√	√	√	√	√	√	√	√
J D'Arcy	√	√	√	x	√	x	√	x	√	√	√	√
B Delaney	√	√	√	x	√	x	√	√	√	√	√	√
B Macauley	√	√	√	x	x	x	√	x	√	√	√	x
R Mallon	√	√	√	√	√	√	√	√	√	√	√	√
S McCullough	√	√	√	x	√	x	x	√	√	√	√	√
H McGrady	√	√	√	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
D O'Connor	√	√	√	√	√	x	x	√	√	x	√	√
J O'Neill	√	√	√	√	x	x	√	x	x	x	√	√
P Turnbull	√	√	√	√	x	√	√	√	√	√	√	√

√ - In Attendance      x – Not In Attendance      N/A – Not a Member

The Sports Council Staffing Committee consisting of four members of the Board, with a quorum of two. The terms of reference are contained within the annual report. During 2012/13 the Staffing Committee received information and/or advised on/approved the following matters:

- Absence levels within the organisation (considering impact of long-term and short-term absences);
- Payment of occupational sick pay beyond prescribed maxima for staff on individual basis, due to exceptional circumstances;
- Chief Executive performance appraisal rating;
- TUPE of staff working on the regional stadiums to DCAL;
- Recruitment challenges and impact on delivery of the business plan e.g. recruitment freeze;
- Regular update on recruitment activities, following removal of recruitment freeze;
- Long term sickness absence of Chief Executive and subsequent retirement;
- Update on pension contributions of staff;
- Recruitment process of new Chief Executive; and
- Human Resource Management projects to be implemented in 2013/14.

The Committee met 7 times during 2012/13. The attendance of the Committee members during the year was as follows:

Member/Officer	1/5/12	4/7/12	19/7/12	27/7/12	4/9/12	28/11/12	21/3/13
J D'Arcy	√	√	√	√	√	√	√
D O'Connor	√	√	√	√	√	√	√
R Mallon	x	√	√	√	√	√	√
B Macauley	√	x	√	√	√	√	√

√ - In attendance    x – Not in attendance

Details of the Audit and Risk Management Committee are contained in section 7.

5. *Developing, Communication and Embedding Codes of Conduct, Defining the Standards of Behaviour for Members and Staff*

Board Members and officers are bound by the Northern Ireland Civil Service (NICS) code of conduct. As part of the Sports Council's induction framework, Members and Officers are advised of these codes and the Nolan seven principles of conduct underpinning public life.

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. The Sports Council's Anti-Fraud and Corruption policy was updated in September 2012. The new policy and procedures includes guidance on the Service Level Agreement between DCAL and DARD Central Investigation Services (CIS). DARD CIS now provide a dedicated resource to investigate cases of suspected internal and external fraud and irregularity and has the authority to conduct criminal investigations.

A Whistleblowing Policy was approved by the Sports Council in April 2009, and ensures that any employee or Board Member can confidentially raise concerns, which relate to possible illegal or improper behaviour within the Sports Council, without putting their positions at risk.

The Sports Council has an approved Gifts, Benefits and Hospitality Policy in place, with a register to ensure appropriate approvals in place. The policy outlines that Board Members and employees should avoid putting themselves in a position where their integrity is called into question because of any financial or other obligation. As well as avoiding actual impropriety, the appearance of it is also advised to be avoided. The policy was updated in October 2012.

The Sports Council operates a Conflict of Interest policy. The policy was updated and approved by the Board 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. The Sports Council Members or officers declaring any direct interest in grant applications exclude themselves from the decision-making process.

The 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 the Board in June 2009 and an Information Security Policy approved in February 2012. The purpose of this policy is to set out how the Sports Council will ensure compliance with the provisions of the Data Protection Act 1998. The policy has been implemented throughout the organisation.

Polices are communicated at induction and via the intranet.

6. *Reviewing and Updating Management Statement and Financial Memorandum;, Financial Instructions, Scheme of Delegation and Supporting Procedure Notes/Manuals, which Clearly Define How Decisions are Taken and the Processes and Controls Required to Manage Risks.*

The Management Statement and Financial Memorandum has recently been updated by the Department and the Sports Council has been consulted on its content and afforded the opportunity to comment on its content prior to final approval 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. These documents are reviewed periodically.

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

The Sports Council has a Financial Delegation Limits Policy in place for guiding the senior management team and the Board in making decisions on awards and contracts up to specific thresholds. The Sports Council also has an Investment Policy in place which is designed to ensure that the Sports Council.

- Complies with DFP requirements for the Sports Council, as a Non-Departmental Public Body, to adhere to the Northern Ireland Guide to Expenditure Appraisal and Evaluation (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 the 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, exploit opportunities 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 linked to the Investment Policy and implemented throughout the Sports Council are as follows:

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

The Sports Council's Risk Management Policy approved by the Board in October 2009, covers all Sports Northern Ireland activities. The policy explains the underlying approach to risk management, documents the roles and responsibilities of the Board, the Accounting Officer, Heads of Unit, Operations Group, staff and the Audit and Risk Management 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 complemented by a risk management strategy, the objectives of which are to:

- Emphasise the importance of risk management to the continuing success of the Sports Council;
- Demonstrate how risk relates to the achievement of objectives;
- Inform the Department and other key stakeholders of key risks influencing the achievement of the Sports Council objectives;
- Assure the Department as to the effective management of risk by the Sports Council;
- Create an understanding of the processes undertaken by the Sports Council to ensure the successful identification and management of risks;
- Provide guidelines for staff and Members, of their responsibilities and duties in managing risk.

The risk register consists of eight key risks which have actions taken to treat the risk, or if this is not possible then the Board has agreed that the level of risk can be tolerated. The risks include: ineffective management of capital projects; material underspend by Sports Council funded capital projects; ineffective governance; non-achievement of objectives <10%; fraud; inadequate health and safety arrangements; inappropriate disaster recovery procedures; and poor information management. The first five are classified as medium risk with the remaining three low level.

An Evaluation Policy was also produced and approved by the Board 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's Business Case Policy and complements the revised Monitoring Policy.

*7. Undertaking the Core Functions of an Audit and Risk Management Committee*

The Sports Council has an Audit and Risk Management Committee which has operated since 1995. The Committee consists of four members of the Board, with a quorum of two. The Audit and Risk Management Committee performs the following core functions:

- Consider the effectiveness of the Sports Council's risk management arrangements, the control environment and associated anti-fraud and anticorruption arrangements;
- Seek assurance that action is being taken on risk related issues identified;
- Satisfy themselves that the Sports Council's assurance statements properly reflect the risk environment and any actions required to improve it;
- Approve Internal Audit's strategy, plan and performance;
- Review summary audit reports and the main issues arising, and seek assurance that action has been taken where necessary;
- Review and consider interim and annual assurance reports;
- Consider reports from the Northern Ireland Audit Office and monitor management action in response to issues raised; and
- Review the financial statements.

The Audit and Risk Management Committee will advise the Chief Executive and Board 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.

The committee met 5 times during 2012/13. The attendance of committee Members during the year was as follows:

<b>Member / Officer</b>	<b>1/5/12</b>	<b>3/7/12</b>	<b>31/7/12</b>	<b>19/12/12</b>	<b>26/3/13</b>
P Cummings	x	√	√	√	√
J D'Arcy	√	√	√	√	√
R Mallon	√	√	√	√	√
P Turnbull	√	√	√	√	x

√ - In Attendance    x – Not In Attendance

A self-assessment was undertaken of the Audit and Risk Management Committee in 2009, which concluded that the Committee are in a favourable position overall with regards to best practice arrangements. In 2011, the role of the Audit and Risk Management Committee was encompassed within the external quality assessment of the Sports Council's Internal Audit Function. Aspects of the Audit and Risk Managements Committee activities were subject to further independent review as part of the aforementioned Governance Review. A self-assessment is planned for 2013/14.

8. *Ensuring Compliance with Relevant Laws and Regulations, Internal Policies and Procedures, and that Expenditure is Lawful*

The Sports Council operates under a system of standing orders, financial procedures that all Members and officers must follow. There are clearly defined guidelines for capital expenditure, procurement, human resources management and project management. Employees are made aware of the Sports Council's financial arrangements through training and under the induction process.

The Sports Council has a corporate risk register in place which identifies the key risks facing the organisation. This register has been developed in line with best practice and is 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 within an appropriate appetite level. The corporate risk register is reviewed by both the Audit and Risk Management Committee and Board at each meeting.

The Senior Management Team take 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 Board. 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. In terms of project risk, skilled and competent staff undertake financial and governance health checks for high value projects. This is coupled with annual governance checks of the Sports Council's governing bodies. 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.

Training is undertaken throughout the year to reduce risk. All new members of staff were taken through an extensive induction programme which includes: employment, finance and accountability arrangements. AccessNI checks (criminal record) were carried out on all relevant posts. Sports Council also carries out training throughout the year e.g. section 75, cost control and procurement/evaluation, and currently funds a number of people to undertake courses aimed at increasing their knowledge, whilst reducing risk for the organization.

The Sports Council also 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. In addition, the Sports Council applies the government policy of achieving excellence in construction.

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 subject to periodic review by internal audit to assess adherence by the Sports Council, and any recommendations to further enhance controls/procedures are incorporated. The Sports Council has an internal audit section which performs reviews of systems across all units of the Sports Council and provides management with an opinion on the controls within each area reviewed.

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 organisational structure with the aim to ensure efficiencies are made and the harmonisation of procedures across the organisation.

The Sports Council takes legal advice as required.

*9. Whistle-blowing and for Receiving and Investigating Complaints from the Public*

The Sports Council approved a Whistle-blowing Policy in April 2009. The Sports Council's Anti-Fraud and Corruption policy contains a procedure for dealing with receipts of suspicions of fraud from members of the public. See section 5 for further details.

*10. Identifying the Development Needs of Members and Senior Officers in Relation to their Strategic Roles, Supported by Training*

All members receive On-Board training by CIPFA and an induction on commencement as new member of the Board. The training covers: Structures and Standards; Roles and Responsibilities; Managing Relationships; The Nolan Principles in Practice; and Accountability.

The development needs of senior officers are identified through the appraisal process. Training needs are identified through this process and training is arranged.

*11. Establishing Clear Channels of Communication with All Sections of the Community and Other Stakeholders, Ensuring Accountability and Encouraging Open Consultation*

All new policies/programmes introduced during the year have been fully consulted on and screened for Section 75 compliance.

**Review of Effectiveness**

*1. Board*

The Corporate Governance Code for Central Government Departments issued by HM Treasury does not directly apply to Sports Council. However, the arrangements in place at the Sports Council reflect good practice. In May 2013, the Board undertook a self-effectiveness review based on the information contained within the Code. The Board upon completion of this review considers that it complies with the best practice principles espoused with governing guidance. However, any evaluation against best practice will open up areas for improvement. The Board's self-assessment has identified three areas for the Board to focus on over the next 12 months. These areas are as follows:

- Succession Planning

The Board of Sports Council is appointed by DCAL and succession planning in respect of the strategic leadership of the organisation will rest with DCAL. The Chair however recognises his role in ensuring that associated risks be communicated appropriately and in a timely manner, in particular around Board vacancies. Given the current shortages within the Board, this issue is pertinent to the successful performance of the Board and has been raised with DCAL. The associated risk is considered low in the short term, but failure to address the issue in a timely manner will impact on Board effectiveness over the medium to long term.

Internally, the performance management system has been refined to improve reporting and feedback with a view to developing and enhancing skills internally and ensuring that skills gaps do not exit upon departure of key staff. This will be a continual process.

- Reporting

The evaluations by both DCAL and CIPFA in 2012 highlighted the need for improvements around the timeliness and quality of information provided to the Board. The Board have reviewed this matter and recognise that the quality and timing of information in the past was not what it could have been.

This particular issue has now been addressed in particular, via the governance improvement plan, which has culminated in a process which ensures Board information is both timely and of the requisite quality. Board agendas are now developed by the Chief Executive in consultation with the Chair. In addition, the role and remit of the Board has been clearly articulated within the revised Board Terms and Reference and it is this coupled with other relevant guidance such as the Scheme of Delegation and Management Statement and Financial Memorandum that now direct the information filtered through the Board. Papers to the Board are now in a standard format and clearly denote recommendations and Committee Minutes likewise. Board Minutes also now denote all decisions and action points.

- Risk Appetite

As part of the governance improvement plan a revised approach to risk management was developed and which encompasses clearer articulation by the Board of Sports Council's risk appetite. This framework is organisation wide and is still in implementation stage. When fully implemented, Sports Council's risk appetite will be determined and reflected in the corporate risk register which will be collated from information from multiple risk registers.

While all Directors and managers currently feed into the corporate risk register there presently is no formal migration of operational risk registers upwards. This will form part of the governance embedding work and it is envisaged that this work will be completed by August 2013. In the interim, a consultation exercise is carried out when updating the Corporate Risk Register which facilitates the completion of a register that is adequately informed and which enables the joint articulation by management and the Board of the level of uncertainty they are willing to assume as they pursue the rewards expected from the successful realisation of Sports Council's strategy.

## *2. Overall Assessment of Governance and Internal Control*

As Accounting Officer, I have responsibility for reviewing the effectiveness of its governance framework. My review of the effectiveness of the system of internal control is informed by the work of Internal Auditor 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 and Risk Management Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

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 2013/14 via reviewing policies and procedures, training programmes and reassessing contractual agreements.



The Board obtains assurances on its governance through its Audit and Risk Management Committee. The Audit and Risk Management 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 and Risk Management Committee reported back to the Board following each of its meetings. In line with best practice, an annual report is prepared by the Audit and Risk Management Chair and presented to the Board. A summary of key points from the report are as follows:

- The committee considers there to be a strong framework of Governance in place and will seek to oversee embedding the enhancements realised from the governance improvement exercise.
- The introduction of the 'issues log' has strengthened risk management processes and serves as an early warning mechanism and has aided communications of non-strategic issues to DCAL.
- Internal audit resources throughout the year had to be redirected to unplanned work. Despite this 80% of the audit plan was completed and a satisfactory level of assurance obtained.
- The committee considers there to be a sound anti-fraud framework in place, and appropriate controls exist to present, detect and manage fraud.
- The annual report and accounts 2011/12 were unqualified by NIAO and nine recommendations made, which have been addressed by management.
- The committee is satisfied that an appropriate framework of internal control exists across the organisation.
- Future risks and challenges identified include: increased risk of fraud as a result of the current economic climate and public sector budgetary pressures.

Sports Council Internal Auditor has provided a satisfactory level of assurance for the Sports Council within the draft annual report and opinion which covers the period 1 April 2012 to 31 March 2013. A similar level of assurance is expected for the Sports Institute Northern Ireland. Internal Audit awarded one limited opinion in relation to the Sports Council's system of internal control governing procurement. The weaknesses identified, pertain to the absence of robust procedures and clearly assigned responsibilities over procurement. Management has taken steps to address the priority areas identified by way of undertaking a comprehensive review of all current live contracts and the review and updating of current procurement procedures in line with best practice. Designated resources have been allocated to oversee this exercise which will be completed by July 2013. This system will be subject to a further review by Internal Audit as part of its 2013/14 audit plan. The weaknesses identified within this system do not render the overall system of internal control within the Sports Council limited.

Within its Annual Report and Opinion, Internal Audit identified three key risks, those being the ongoing risk of fraud, third party risks in particular those associated with the 'going concern' of contractors with whom the Sports Council applicants are engaged and the increasing level of allegations being received, real and malicious which utilise resource to investigate. Steps taken by management have included pre-appointed check of contractors, the scheduling of further fraud and whistleblowing training for staff and incorporating into the annual internal audit plan further time to accommodate investigative work. Management have put in place controls to address these risks as far as is reasonably practicable and these risks will continue to be monitored.

The Sports Council has a risk register in place that is reviewed regularly by the senior management team. It is also reviewed by the Audit and Risk Management Committee and presented to the Board. There were no new risks identified for inclusion to the register during 12/13.

Throughout the year, I obtained assurance on risk management and control procedures 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 2012/13.

### **Loss of Data**

Sports Council treats information security obligations extremely seriously. During 12/13 there were no reportable losses of personal data.

### **Ministerial Directions**

Sports Council received no Ministerial Directions through the year that would have impacted on risk or controls within Sports Council.

### **Grants Under Investigation**

Four Sports Council grant funded projects were investigated during the year and no fraud was identified. A lesson's learned exercise has been carried out with project staff, to improve safe guards around project management. One case is subject to an independent review by the Northern Ireland Audit Office.



**Nick Harkness**  
**Acting Chief Executive and Accounting Officer**  
**Sports Council for Northern Ireland**

**28 June 2013**

## **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 the Sports Council for Northern Ireland for the year ended 31 March 2013 under the Recreation and Youth Service (Northern Ireland) Order 1986. These comprise the Statement of Comprehensive Net Expenditure, 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 examine, certify and report on 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 Financial Reporting Council'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 recorded in the financial statements have been applied to the purposes intended by the Assembly and the financial transactions recorded in the financial statements conform to the authorities which govern them.

### **Opinion on Regularity**

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

### **Opinion on financial statements**

In my opinion:

- the financial statements give a true and fair view of the state of the Sports Council for Northern Ireland's affairs as at 31 March 2013 and of the net expenditure, cash flows and changes in taxpayers' equity for the year then ended; and
- the financial statements have been properly prepared in accordance with 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 made under the Recreation and Youth Service (Northern Ireland) Order 1986; and
- the information given in the 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 and the part of the Remuneration Report to be audited 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 Governance Statement 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 1EU

28 June 2013

# Statement of Comprehensive Net Expenditure For the year ended 31 March 2013

	Notes	2013 SCNI £	2013 SINI £	2013 GROUP £	2012 SCNI £	2012 GROUP £
<b>Expenditure</b>						
Staff Costs	3	(4,145,586)	(729,645)	(4,875,231)	(4,329,455)	(5,030,770)
Depreciation and Amortisation	9&10	(479,197)	(76,177)	(555,374)	(466,260)	(535,593)
Grants	5	(12,805,404)	-	(12,805,404)	(14,710,614)	(14,710,614)
Other Operating Costs	5	(2,570,371)	(290,897)	(2,861,268)	(2,625,241)	(2,916,111)
Notional Costs	6	(25,000)	-	(25,000)	(25,000)	(25,000)
<b>Total Expenditure</b>		<b>(20,025,558)</b>	<b>(1,096,719)</b>	<b>(21,122,277)</b>	<b>(22,156,570)</b>	<b>(23,218,088)</b>
<b>Income</b>						
Grant from Other Activities	7	36,659	1,103,862	1,140,521	38,341	1,132,359
Other Income	8	1,217,273	8,000	1,225,273	1,309,126	1,319,626
<b>Total Income</b>		<b>1,253,932</b>	<b>1,111,862</b>	<b>2,365,794</b>	<b>1,347,467</b>	<b>2,451,985</b>
<b>Net Expenditure</b>		<b>(18,771,626)</b>	<b>15,143</b>	<b>(18,756,483)</b>	<b>(20,809,103)</b>	<b>(20,766,103)</b>
Notional Costs	6	25,000	-	25,000	25,000	25,000
<b>Net Expenditure After Excluding Notional Costs</b>		<b>(18,746,626)</b>	<b>15,143</b>	<b>(18,731,483)</b>	<b>(20,784,103)</b>	<b>(20,741,103)</b>
<b>Other Comprehensive Expenditure</b>						
Net (Loss)/Gain on Revaluation of Property, Plant and Equipment		(144,618)	-	(144,618)	231,440	231,440
Net (Loss)/Gain on Revaluation of Intangibles		24,684	-	24,684	252	252
Actuarial Loss	4	(791,000)	(48,000)	(839,000)	(1,300,000)	(1,356,000)
<b>Total Comprehensive Net Expenditure for the year ended 31 March 2013</b>		<b>(19,657,560)</b>	<b>(32,857)</b>	<b>(19,690,417)</b>	<b>(21,852,411)</b>	<b>(21,865,411)</b>

All amounts above relate to continuing activities.

The notes on pages 55 to 76 form part of these accounts.

## Statement of Financial Position as at 31 March 2013

	Notes	2013 SCNI £	2013 SINI £	2013 GROUP £	2012 SCNI £	2012 GROUP £
<b>Non-Current Assets</b>						
Property, plant and equipment	9	5,608,481	187,709	5,796,190	6,044,285	6,207,554
Intangible assets	10	185,109	40,145	225,254	198,353	229,728
<b>Total non-current assets</b>		<b>5,793,590</b>	<b>227,854</b>	<b>6,021,444</b>	<b>6,242,638</b>	<b>6,437,282</b>
<b>Current Assets</b>						
Inventories	11	24	-	24	106	106
Trade and other receivables	12	395,997	7,186	403,183	383,385	390,009
Cash and cash equivalents	13	985,821	71,424	1,057,245	232,341	272,782
<b>Total current assets</b>		<b>1,381,842</b>	<b>78,610</b>	<b>1,460,452</b>	<b>615,832</b>	<b>662,897</b>
<b>Total assets</b>		<b>7,175,432</b>	<b>306,464</b>	<b>7,481,896</b>	<b>6,858,470</b>	<b>7,100,179</b>
<b>Current Liabilities</b>						
Trade and other payables	14	(504,534)	(306,464)	(810,998)	(1,050,001)	(1,291,710)
Grant Commitments	14	(2,356,822)	-	(2,356,822)	(4,640,196)	(4,640,196)
<b>Total Current Liabilities</b>		<b>(2,861,356)</b>	<b>(306,464)</b>	<b>(3,167,820)</b>	<b>(5,690,197)</b>	<b>(5,931,906)</b>
Net Current Liabilities		(1,479,514)	(227,854)	(1,707,368)	(5,074,365)	(5,269,009)
<b>Non-current assets less net current liabilities</b>		<b>4,314,076</b>	<b>-</b>	<b>4,314,076</b>	<b>1,168,273</b>	<b>1,168,273</b>
<b>Non-current Liabilities</b>						
Provision	15a	(47,120)	-	(47,120)	-	-
Pension Liability	15b	(3,473,000)	-	(3,473,000)	(2,669,000)	(2,640,500)
<b>Assets Less Liabilities</b>		<b>793,956</b>	<b>-</b>	<b>793,956</b>	<b>(1,500,727)</b>	<b>(1,472,227)</b>

**Statement of Financial Position (continued)**  
**as at 31 March 2013**

	Notes	2013 SCNI	2013 SINI	2013 GROUP	2012 SCNI	2012 GROUP
		£	£	£	£	£
<b>Taxpayers' equity</b>						
<b>Reserves</b>						
General Reserve	16	3,959,324	(4,357)	3,954,967	708,097	708,097
Pension Reserve	16	(3,473,000)		(3,473,000)	(2,669,000)	(2,640,500)
Revaluation Reserve	16	307,632	4,357	311,989	460,176	460,176
<b>Total Reserves</b>		<b>793,956</b>	<b>-</b>	<b>793,956</b>	<b>(1,500,727)</b>	<b>(1,472,227)</b>

The financial statements were approved by the Board and are signed on its behalf by:



**Nick Harkness**  
**Acting Chief Executive and Accounting Officer**  
**Sports Council for Northern Ireland**

**Date: 28 June 2013**

The notes on pages 55 to 76 form part of these accounts.

## Statement of Cash Flows

### For the Year Ended 31 March 2013

	2013 SCNI £	2013 SINI £	2013 GROUP £	2012 SCNI £	2012 GROUP £
<b>Cash Flow From Operating Activities</b>	<b>(18,771,626)</b>	<b>15,143</b>	<b>(18,756,483)</b>	<b>(20,809,103)</b>	<b>(20,766,103)</b>
Depreciation and Amortisation	479,197	76,177	555,374	466,260	535,593
Permanent Diminution	(16,779)	-	(16,779)	18,343	18,343
Loss on Disposal of Assets	5,808	1,394	7,202	1,176	3,293
Notional Cost - Audit Fee	25,000	-	25,000	25,000	25,000
Decrease/(Increase) in Inventories	82	-	82	(47)	(47)
(Increase)/Decrease in Trade and Other Receivables	(12,611)	(563)	(13,174)	280,133	288,338
(Decrease)/Increase in Trade and Other Payables	(2,848,733)	63,833	(2,784,900)	(131,257)	(183,913)
Increase in Provisions	47,120	-	47,120	-	-
(Decrease)/Increase in Pension Fund Payable Less Actuarial Losses	13,000	(19,500)	(6,500)	(198,000)	(241,000)
<b>Net Cash Outflow From Operating Activities</b>	<b>(21,079,542)</b>	<b>136,484</b>	<b>(20,943,058)</b>	<b>(20,347,495)</b>	<b>(20,320,496)</b>
<b>Cash Flows From Investing Activities</b>					
Proceeds from disposal of non current assets	-	-	-	2,324	2,324
Purchase of property, plant and equipment	(98,394)	(82,291)	(180,685)	(31,721)	(90,677)
Purchase of intangible assets	(20,827)	(23,210)	(44,037)	(7,920)	(31,920)
<b>Net Cash Outflow From Investing Activities</b>	<b>(119,221)</b>	<b>(105,501)</b>	<b>(224,722)</b>	<b>(37,317)</b>	<b>(120,273)</b>
<b>Cash Flows From Financing Activities</b>					
Grants from DCAL	21,952,243	-	21,952,243	19,687,000	19,687,000
<b>Net Financing</b>	<b>21,952,243</b>	<b>-</b>	<b>21,952,243</b>	<b>19,687,000</b>	<b>19,687,000</b>
<b>Net Increase/(Decrease) in Cash and Cash Equivalents in the Year</b>	<b>753,480</b>	<b>30,983</b>	<b>784,463</b>	<b>(697,812)</b>	<b>(753,769)</b>
<b>Cash and Cash Equivalents at the Beginning of the Year</b>	<b>232,341</b>	<b>40,441</b>	<b>272,782</b>	<b>930,153</b>	<b>1,026,551</b>
<b>Cash and Cash Equivalents at the End of the Year</b>	<b>985,821</b>	<b>71,424</b>	<b>1,057,245</b>	<b>232,341</b>	<b>272,782</b>

The notes on pages 55 to 76 form part of these accounts.



## Statement of Changes in Taxpayers' Equity for the year ended 31 March 2013

	<b>General Reserve Restated £</b>	<b>Pension Reserve £</b>	<b>Revaluation Reserve £</b>	<b>Total Reserves Restated £</b>	<b>Group Reserves Restated £</b>
<b>Balance at 31 March 2011</b>	<b>1,961,639</b>	<b>(1,567,000)</b>	<b>289,280</b>	<b>683,919</b>	<b>725,419</b>
<b>Changes in Equity for 2011-12</b>					
Net Gain on Revaluation of Non-Current Assets	-	-	231,692	231,692	231,692
Release of Reserve	-	-	(19,235)	(19,235)	(19,235)
Transfer Between Reserves	41,561	-	(41,561)	-	-
Actuarial Loss	-	(1,300,000)	-	(1,300,000)	(1,356,000)
Retained Deficit	(20,982,103)	198,000	-	(20,784,103)	(20,741,103)
Grant from DCAL	19,687,000	-	-	19,687,000	19,687,000
<b>Balance at 31 March 2012</b>	<b>708,097</b>	<b>(2,669,000)</b>	<b>460,176</b>	<b>(1,500,727)</b>	<b>(1,472,227)</b>
<b>Changes in Equity for 2012-13</b>					
Net Loss on Revaluation of Non-Current Assets	-	-	(119,934)	(119,934)	(119,934)
Transfer Between Reserves	32,610	-	(32,610)	-	4,357
Actuarial Loss	-	(791,000)	-	(791,000)	(839,000)
Retained Deficit	(18,733,626)	(13,000)	-	(18,746,626)	(18,731,483)
Grant from DCAL	21,952,243	-	-	21,952,243	21,952,243
<b>Balance at 31 March 2013</b>	<b>3,959,324</b>	<b>(3,473,000)</b>	<b>307,632</b>	<b>793,956</b>	<b>793,956</b>

## **Notes to the Accounts**

### **For the year ended 31 March 2013**

#### **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 2012-2013 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 is 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 particular policies adopted by the Sport Council are described below. They 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 modified to account for the revaluation of property, plant and equipment. 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.

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 Statement of Comprehensive Net Expenditure 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 Statement of Comprehensive Net Expenditure.

#### *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: -

Buildings	10-25 Years
Computer Equipment	2-10 Years
Furniture and Fittings	2-20 Years
Specialist Sports Equipment	7-10 Years
Motor Vehicles	4-10 Years
Intangible Assets – Computer Equipment	2-10 Years

#### *1.8 Impairment of Non-Current Assets*

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

#### *1.9 Revaluation of Non-Current Assets*

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 Centre was valued by Land and Property Services at 31 March 2011 and will have a further formal valuation undertaken in 5 years, supplemented by annual indexation.

#### *1.10 Operating leases*

Rentals payable under operating leases are written off in the Statement of Comprehensive Net Expenditure in the year. The amount charged in the year and amount of the payments to which the entity is committed is disclosed in note 5 to the accounts.

#### *1.11 Notional Costs*

The auditor's remuneration is included as a notional cost. Full details of these costs are given in note 6.

#### *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 liabilities are measured using the projected unit credit method.

A building block approach is used to determine the rate of return on Fund assets. Historical markets are studied and assets with higher volatility are assumed to generate higher returns consistent with widely accepted capital market principles. The assumed rate of return on each class is set out within the notes. The overall expected rate of return on assets is then derived by aggregating the expected return for each asset class over the actual asset allocation for the Fund at 31 March 2013.

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 Statement of Comprehensive Net Expenditure. 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 Taxpayer's 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 Centre. Bad debt provision is assessed annually.

#### *1.15 Trade Payables*

Trade payables represent liabilities for goods and services provided to Sports Council prior to the end of the reporting period, which are unpaid. 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 Financial Instruments*

Sports Council has adopted IAS 39. There has been no impact on the net assets of the organisation as a result of this.

#### *Loans and Receivables*

Receivables, Cash and Cash Equivalents are classified as 'loans and receivables', in accordance with IAS 39, and are initially measured at fair value and subsequently measured at amortised cost using the effective interest method less any impairment.

- Receivables do not carry any interest and are recognised at their recoverable amount, which equates to their fair value.
- Cash held in the bank is a liquid resource. The carrying value of the asset approximates to fair value.

Cash equivalents are short term, highly liquid investments that are readily convertible to cash and are subject to a low risk of changes in value.

Payables & Grant Commitments are classified as 'loans and receivables', in accordance with IAS 39, and are initially measured at fair value, net of transaction costs, and subsequently measured at amortised cost using the effective interest method.

- Payables are not interest bearing and are stated at their nominal value, which equates to their fair value.
- Grant commitments are stated as per the value of the award made to the applicant, this equates to fair value.

## 2. 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 Statement of Comprehensive Net Expenditure of the financial statements.

## 3. Staff Numbers and Related Costs

Staff costs comprise:

	<b>2013</b>	<b>2013</b>	<b>2013</b>	<b>2013</b>	<b>2012</b>	<b>2012</b>
	<b>SCNI</b>	<b>SCNI</b>	<b>SCNI</b>	<b>GROUP</b>	<b>SCNI</b>	<b>GROUP</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
	<b>Permanent</b>	<b>Others</b>	<b>Total</b>	<b>Total</b>	<b>Total</b>	<b>Total</b>
Wages and Salaries	3,114,665	-	3,114,665	3,714,311	3,453,315	3,955,240
Social Security Costs	236,272	-	236,272	277,771	238,578	281,596
Other Pension Costs	576,066	-	576,066	664,566	580,194	674,566
Agency Costs	-	205,583	205,583	205,583	57,368	57,368
Other Pension Costs	13,000	-	13,000	13,000	-	62,000
Total Staff Costs	3,940,003	205,583	4,145,586	4,875,231	4,329,455	5,030,770
Staff costs recharged to third parties	(430,258)	-	(430,258)	(430,258)	(384,655)	(384,655)
Total Staff Costs less Recharges	3,509,745	205,583	3,715,328	4,444,973	3,944,800	4,646,115

**Average number of persons employed**

The average number of whole –time equivalent persons employed during the year was as follows:

	<b>2013 SCNI Permanent Staff</b>	<b>2013 SCNI Others</b>	<b>2013 SCNI Total</b>	<b>2013 GROUP Total</b>	<b>2012 SCNI Total</b>	<b>2012 GROUP Total</b>
Directly Employed	101	-	101	134	106	139
Other	-	6	6	6	2	2
<b>Total</b>	<b>101</b>	<b>6</b>	<b>107</b>	<b>140</b>	<b>108</b>	<b>141</b>

All the staff costs were incurred by the Sports Council and a proportion recharged to the Lottery Distribution Account.

There were no compensation or exit packages during the year.

There were no off-payroll engagements during the year.

**4. 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 2012/13 the contribution rates were 19% employers and ranging between 5.5% and 7.5% employees (2011/12: 18% employers and ranging between 5.5% and 7.5% employees).

In order to assess the value of the Employer's liabilities in the Fund as at 31 March 2013, 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 2013</b>	<b>31 March 2012</b>
	<b>% p.a. Nominal</b>	<b>% p.a. Nominal</b>
Pension Increase Rate (CPI)	2.8%	2.5%
Salary Increase Rate	5.2%	4.8%
Expected Return on Assets	6.9%	5.7%
Discount Rate	4.5%	4.8%

The average future life expectancies at age 65 are:

	<b>Males</b>	<b>Females</b>
Current Pensioners	23.2 Years	26.1 Years
Future Pensioners	25.2 Years	28.1 Years

The return on the Fund in market value terms for the year to 31 March 2013 is estimated based on actual Fund returns as provided by the Administering Authority and index returns where necessary. The overall Fund return over the accounting period has been calculated as 17.3%.

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 2013			31 March 2012			31 March 2011		
	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%	11,034	11,696	6.2%	8,842	9,303	7.5%	8,686	9,064
Bonds	2.8%-3.8%	1,664	1,764	4.1%	1,673	1,760	4.9%	1,579	1,648
Property	7.3%	1,123	1,191	4.4%	956	1,006	5.5%	677	706
Cash/Other	0.9%-7.8%	774	820	3.5%	478	503	4.6%	338	353
<b>Total</b>		<b>14,595</b>	<b>15,471</b>		<b>11,949</b>	<b>12,572</b>		<b>11,280</b>	<b>11,771</b>

Amount Shown in Statement of Financial Position	31 March 2013 £(000)		31 March 2012 £(000)		31 March 2011 £(000)		31 March 2010 £(000)		31 March 2009 £(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	14,595	15,471	11,949	12,572	11,280	11,771	8,972	9,590	5,931	6,345
Present Value of Defined Benefit Obligation	18,068	18,944	(14,618)	(15,212)	(12,847)	(13,297)	(15,271)	(16,230)	(8,008)	(8,515)
Deficit	(3,473)	(3,473)	(2,669)	(2,641)	(1,567)	(1,526)	(6,299)	(6,640)	(2,077)	(2,170)
Experience Gains/(Losses) on Assets	1,421	1,501	(715)	(750)	1,149	897	2,161	2,315	(2,321)	(2,478)
Experience Gains/(Losses) on Liabilities	15	15	(127)	(129)	777	1,281	-	-	-	-
Actuarial Gains/(Losses) on Assets	1,421	1,501	(715)	(750)	1,149	897	2,161	2,315	(2,321)	(2,478)
Actuarial Gains/(Losses) on Obligation	(2,212)	(2,340)	(585)	(606)	2,179	2,751	(6,365)	(6,770)	959	1,023
Actuarial Gains/(Losses) Recognised in Statement in Changes in Taxpayers' Equity	(791)	(839)	(1,300)	(1,356)	3,328	3,648	(4,204)	(4,455)	(1,362)	(1,455)

The valuation revealed that the Net Pension Asset as at 31 March 2013 is a liability of £3,473,000 (2011/12: £2,640,500). 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 2013:

Amount Charged to Net Expenditure Account	31-Mar-13 £(000)		31-Mar-12 £(000)	
	SCNI	GROUP	SCNI	GROUP
Service Cost	601	689	507	569
<b>Total Operating Charge (A)</b>	<b>601</b>	<b>689</b>	<b>507</b>	<b>569</b>

Amount Credited to Other Finance Income	31-Mar-13 £(000)		31-Mar-12 £(000)	
	SCNI	GROUP	SCNI	GROUP
Expected Return on Employer Assets	(696)	(736)	(798)	(836)
Interest on Pension Scheme Liabilities	714	746	719	747
<b>Net Return (B)</b>	<b>18</b>	<b>10</b>	<b>(79)</b>	<b>(89)</b>
<b>Net Revenue Account Cost (A)-(B)</b>	<b>619</b>	<b>699</b>	<b>428</b>	<b>480</b>

Analysis of Amount Recognised in Comprehensive Expenditure in Net Expenditure Account	31-Mar-13 £(000)		31-Mar-12 £(000)	
	SCNI	GROUP	SCNI	GROUP
<b>Actuarial Loss Recognised in SOCTE</b>	<b>(791)</b>	<b>(839)</b>	<b>(1,300)</b>	<b>(1,356)</b>
Cumulative Actuarial Losses	(4,456)	(4,487)	(3,665)	(3,648)

Movement in Deficit During the Year	31-Mar-13 £(000)		31-Mar-12 £(000)	
	SCNI	GROUP	SCNI	GROUP
Deficit at Beginning of the Year	(2,669)	(2,641)	(1,567)	(1,526)
Current Service Cost	(601)	(689)	(507)	(569)
Employer Contributions	606	706	626	720
Net Return on Assets	(18)	(10)	79	90
Actuarial Losses	(791)	(839)	(1,300)	(1,356)
<b>Deficit at End of Year</b>	<b>(3,473)</b>	<b>(3,473)</b>	<b>(2,669)</b>	<b>(2,641)</b>

History of Experience Gains and Losses	31 March 2013 £(000)		31 March 2012 £(000)	
	SCNI	GROUP	SCNI	GROUP
Difference Between the Expected and Actual Return on Assets	1,421	1,501	(715)	(750)
Value of Assets	14,595	15,471	11,949	12,572
<b>Percentage of Assets</b>	<b>9.7%</b>	<b>9.7%</b>	<b>(6.0%)</b>	<b>(6.0%)</b>
Experience Gains/(Losses) on Liabilities	15	15	(127)	(129)
Total Present Value of Liabilities	18,068	18,944	(14,618)	(15,212)
<b>Percentage of the Total Present Value of Liabilities</b>	<b>(0.1%)</b>	<b>(0.1%)</b>	<b>(0.9%)</b>	<b>(0.8%)</b>
Actuarial Gains/(Losses) on Plan Assets	1,421	1,501	(715)	(750)
Actuarial (Losses)/Gains on Obligation	(2,212)	(2,340)	(585)	(606)
Total Amount Recognised in Net Expenditure Account	(791)	(839)	(1,300)	(1,356)
Total Present Value of Liabilities	18,068	18,944	(14,618)	(15,212)
<b>Percentage of the Total Present Value of Liabilities</b>	<b>4.4%</b>	<b>4.4%</b>	<b>(8.9%)</b>	<b>(8.9%)</b>



**5. Other Expenditure**

	<b>2013 SCNI £</b>	<b>2013 GROUP £</b>	<b>2012 SCNI £</b>	<b>2012 GROUP £</b>
Committees, Receptions & Publicity	558,333	581,798	703,779	724,208
Promotions & Sponsorships	484,983	484,983	164,416	164,416
Repairs & Renewals	340,848	351,387	284,645	296,202
Rent & Rates	158,865	308,950	153,610	308,236
Professional Fees/Consultancy Fees	147,234	167,712	302,808	309,199
Sports Development	189,456	189,456	196,628	196,628
Travel & Subsistence	137,965	154,223	175,634	197,026
Heat & Light	98,269	98,269	87,286	87,286
Information Services, Journals & Subscriptions	97,713	97,713	113,897	113,897
Telephones & Postage	82,221	93,329	100,114	112,420
Publications, Printing & Stationery and IT Consumables	68,023	70,061	132,776	135,383
Training	46,913	69,954	78,908	106,888
Caretaking & Cleaning	63,281	66,400	48,137	51,280
Insurance	42,069	62,913	48,431	71,245
Increase in Provision	47,120	47,120	-	-
Recruitment	8,227	9,164	113	1,409
Auditors Remuneration	-	7,250	-	4,000
Loss/(Profit) on Disposal	5,808	7,202	(2,249)	(132)
Coaches	4,497	4,497	1,560	1,560
Fees and Bank Charges	2,695	3,036	2,955	3,167
Sundry Expenses	2,630	2,630	1,734	1,734
Permanent Diminution	(16,779)	(16,779)	18,343	18,343
Quality Initiatives	-	-	1156	1156
Bad Debts	-	-	10560	10560
<b>Total Other Operating Costs</b>	<b>2,570,371</b>	<b>2,861,268</b>	<b>2,625,241</b>	<b>2,916,111</b>
<b>Total Grants</b>	<b>12,805,404</b>	<b>12,805,404</b>	<b>14,710,614</b>	<b>14,710,614</b>
<b>Total Costs</b>	<b>15,375,775</b>	<b>15,666,672</b>	<b>17,335,855</b>	<b>17,626,725</b>

**6. Notional Costs**

Auditors remuneration remains a notional charge disclosed in the financial statements.

	<b>2013 SCNI</b>	<b>2013 GROUP</b>	<b>2012 SCNI</b>	<b>2012 GROUP</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Notional Auditors Remuneration	25,000	25,000	25,000	25,000
Total Notional Costs	25,000	25,000	25,000	25,000

**7. Grant from Other Activities**

	<b>2013 SCNI</b>	<b>2013 GROUP</b>	<b>2012 SCNI</b>	<b>2012 GROUP</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Grant – Other Sources	36,659	1,140,521	38,341	1,132,359
Total Other Grants	36,659	1,140,521	38,341	1,132,359

**8. Other Income**

	<b>2013 SCNI</b>	<b>2013 GROUP</b>	<b>2012 SCNI</b>	<b>2012 GROUP</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Sports Development	114,772	114,772	77,993	77,993
Tollymore National Outdoor Centre	354,660	354,660	347,767	347,767
Services to Partners	171,075	171,075	127,429	127,429
Service to Lottery Activities	576,766	576,766	557,937	557,937
Finance Income Defined Benefit Pension Scheme	-	8,000	198,000	208,500
Total Other Income	1,217,273	1,225,273	1,309,126	1,319,626

## 9. Property, Plant and Equipment

	Buildings	Specialist Sports Equipment	Furniture and Fittings	Motor Vehicles	Computer Equipment	Total SCNI	Total GROUP
Cost or Valuation	£	£	£	£	£	£	£
<b>At 1 April 2012</b>	5,743,046	197,922	163,774	90,036	981,752	7,176,530	7,523,547
<b>Additions</b>	66,282	-	1,264	-	46,496	114,042	197,254
<b>Revaluation</b>	(204,734)	2,442	1,541	1,793	89,879	(109,079)	(81,889)
<b>Disposals</b>	-	-	-	-	(39,803)	(39,803)	(64,417)
<b>At 31 March 2013</b>	<u>5,604,594</u>	<u>200,364</u>	<u>166,579</u>	<u>91,829</u>	<u>1,078,324</u>	<u>7,141,690</u>	<u>7,574,495</u>
<b>Depreciation</b>							
<b>At 1 April 2012</b>	464,713	79,717	62,101	62,098	463,616	1,132,245	1,315,993
<b>Charge for the Year</b>	231,324	21,666	10,791	5,378	144,363	413,522	475,259
<b>Revaluation</b>	(16,378)	768	290	1,630	35,127	21,437	44,268
<b>Disposals</b>	-	-	-	-	(33,995)	(33,995)	(57,215)
<b>At 31 March 2013</b>	<u>679,659</u>	<u>102,151</u>	<u>73,182</u>	<u>69,106</u>	<u>609,111</u>	<u>1,533,209</u>	<u>1,778,305</u>
<b>Carrying Amount at</b>							
<b>At 31 March 2013</b>	<u>4,924,935</u>	<u>98,213</u>	<u>93,397</u>	<u>22,723</u>	<u>469,213</u>	<u>5,608,481</u>	<u>5,796,190</u>
<b>At 31 March 2012</b>	<u>5,278,333</u>	<u>118,205</u>	<u>101,673</u>	<u>27,938</u>	<u>518,136</u>	<u>6,044,285</u>	<u>6,207,554</u>
<b>Asset Financing:</b>							
Owned	<u>4,924,935</u>	<u>98,213</u>	<u>93,397</u>	<u>22,723</u>	<u>469,213</u>	<u>5,608,481</u>	<u>5,796,190</u>
<b>Carrying Amount at 31 March 2013</b>	<u>4,924,935</u>	<u>98,213</u>	<u>93,397</u>	<u>22,723</u>	<u>469,213</u>	<u>5,608,481</u>	<u>5,796,190</u>

**2011/12**

	<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>
<b>Cost or Valuation</b>	£	£	£	£	£	£	£
<b>At 1 April 2011</b>	5,565,948	169,396	169,131	88,857	960,183	6,953,515	7,254,957
<b>Additions</b>	-	24,685	-	-	7,036	31,721	90,677
<b>Revaluation</b>	177,098	14,632	823	1,179	18,289	212,021	212,021
<b>Disposals</b>	-	(10,791)	(6,180)	-	(3,756)	(20,727)	(34,108)
<b>At 31 March 2012</b>	<u>5,743,046</u>	<u>197,922</u>	<u>163,774</u>	<u>90,036</u>	<u>981,752</u>	<u>7,176,530</u>	<u>7,523,547</u>
<b>Depreciation</b>							
<b>At 1 April 2011</b>	220,797	64,759	53,360	50,595	333,812	723,323	855,415
<b>Charge for the Year</b>	236,891	18,711	10,584	10,655	131,133	407,974	471,022
<b>Revaluation</b>	7,025	3,987	4,337	848	1,977	18,174	18,174
<b>Disposals</b>	-	(7,740)	(6,180)	-	(3,306)	(17,226)	(28,618)
<b>At 31 March 2012</b>	<u>464,713</u>	<u>79,717</u>	<u>62,101</u>	<u>62,098</u>	<u>463,616</u>	<u>1,132,245</u>	<u>1,315,993</u>
<b>Carrying Amount at</b>							
<b>At 31 March 2012</b>	<u>5,278,333</u>	<u>118,205</u>	<u>101,673</u>	<u>27,938</u>	<u>518,136</u>	<u>6,044,285</u>	<u>6,207,554</u>
<b>At 31 March 2011</b>	<u>5,345,151</u>	<u>104,637</u>	<u>115,771</u>	<u>38,262</u>	<u>626,371</u>	<u>6,230,192</u>	<u>6,399,542</u>
<b>Asset Financing:</b>							
Owned	<u>5,278,333</u>	<u>118,205</u>	<u>101,673</u>	<u>27,938</u>	<u>518,136</u>	<u>6,044,285</u>	<u>6,207,554</u>
<b>Carrying Amount at</b>	<u>5,278,333</u>	<u>118,205</u>	<u>101,673</u>	<u>27,938</u>	<u>518,136</u>	<u>6,044,285</u>	<u>6,207,554</u>
<b>31 March 2012</b>							

The carrying amount of buildings comprises:

	<b>2013 SCNI £</b>	<b>2013 GROUP £</b>	<b>2012 SCNI £</b>	<b>2012 GROUP £</b>
Short Leasehold	4,924,935	4,924,935	5,278,333	5,278,333

Buildings refer to the Tollymore National Outdoor Centre, which were valued by the Land and Property Services on 31 March 2011 at depreciated replacement cost of £5,478,048 (excluding the Mountain Bike Track of £87,900). The valuer has the qualification FRICS Diploma in Estate Management.

All other property, plant and equipment were valued at 31 March 2013 through application of indices as published by the Office for National Statistics.

The leases entered into in respect of the land at Tollymore National Outdoor Centre and Altnadue Quarry have been expensed to the Net Expenditure Account (see Note 17).

## 10. Intangible Assets

	<b>SCNI IT, Software Licences £</b>	<b>Total GROUP £</b>
<b>Cost or Valuation</b>		
<b>At 1 April 2012</b>	618,967	666,936
<b>Additions</b>	25,071	48,281
<b>Revaluation</b>	51,001	51,001
<b>Disposals</b>	-	(3,218)
<b>At 31 March 2013</b>	695,039	763,000
<b>Amortisation</b>		
<b>At 1 April 2012</b>	420,614	437,208
<b>Charge for the Year</b>	65,675	80,115
<b>Revaluation</b>	23,641	23,641
<b>Disposals</b>	-	(3,218)
<b>At 31 March 2013</b>	509,930	537,746
<b>Carrying Amount at</b>		
<b>At 31 March 2013</b>	185,109	225,254
<b>At 31 March 2012</b>	198,353	229,728
<b>Asset Financing:</b>		
<b>Owned</b>	185,109	225,254
<b>Carrying Amount at</b>	185,109	225,254
<b>31 March 2013</b>		

**2011/12**

	<b>SCNI IT, Software Licences £</b>	<b>Total GROUP £</b>
<b>Cost or Valuation</b>		
<b>At 1 April 2011</b>	610,656	638,145
<b>Additions</b>	7,920	31,920
<b>Revaluation</b>	391	391
<b>Disposals</b>	-	(3,520)
<b>At 31 March 2012</b>	<u>618,967</u>	<u>666,936</u>
<b>Amortisation</b>		
<b>At 1 April 2011</b>	362,205	375,906
<b>Charge for the Year</b>	58,286	64,571
<b>Revaluation</b>	123	123
<b>Disposals</b>	-	(3,392)
<b>At 31 March 2012</b>	<u>420,614</u>	<u>437,208</u>
<b>Carrying Amount at</b>		
<b>At 31 March 2012</b>	<u>198,353</u>	<u>229,728</u>
<b>At 31 March 2011</b>	<u>248,451</u>	<u>262,239</u>
<b>Asset Financing:</b>		
Owned	<u>198,353</u>	<u>229,728</u>
<b>Carrying Amount at</b>	<u>198,353</u>	<u>229,728</u>
<b>31 March 2012</b>		

**11. Inventory of Luncheon Vouchers**

	<b>2013 SCNI £</b>	<b>2013 GROUP £</b>	<b>2012 SCNI £</b>	<b>2012 GROUP £</b>
Balance 1 April	106	106	59	59
Receipts	11,996	11,996	13,458	13,458
Issued to Staff	(12,078)	(12,078)	(13,411)	(13,411)
Balance 31 March	<u>24</u>	<u>24</u>	<u>106</u>	<u>106</u>

**12. Trade and Other Receivables**

<b>12 (a). Analysis by Type</b>	<b>2013 SCNI</b>	<b>2013 GROUP</b>	<b>2012 SCNI</b>	<b>2012 GROUP</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Trade Receivables	111,090	111,154	67,090	69,063
Other Receivables	126,317	133,439	96,995	101,646
VAT	-	-	2,594	2,594
Amount Owed by Lottery	141,792	141,792	178,876	178,876
Grant Claw back	16,798	16,798	37,830	37,830
<b>Total</b>	<b>395,997</b>	<b>403,183</b>	<b>383,385</b>	<b>390,009</b>

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

	<b>2013 SCNI</b>	<b>2013 GROUP</b>	<b>2012 SCNI</b>	<b>2012 GROUP</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Balances with central government	51,558	51,558	27,038	27,038
Balances with local authorities	10,124	10,124	7,288	7,288
Balances with other government organisations	171,513	171,513	193,207	193,376
Balances with bodies external to government	162,802	169,988	155,852	162,308
	<b>395,997</b>	<b>403,183</b>	<b>383,385</b>	<b>390,009</b>

**13. Cash and Cash Equivalents**

<b>Cash at Bank and in Hand</b>	<b>2013 SCNI</b>	<b>2013 GROUP</b>	<b>2012 SCNI</b>	<b>2012 GROUP</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Bank	985,372	1,056,796	231,937	272,378
Petty Cash	449	449	404	404
<b>Total Cash at Bank and in Hand</b>	<b>985,821</b>	<b>1,057,245</b>	<b>232,341</b>	<b>272,782</b>

<b>Petty Cash Movement</b>	<b>2013 SCNI</b>	<b>2013 GROUP</b>	<b>2012 SCNI</b>	<b>2012 GROUP</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Petty Cash – 1 April	404	404	341	341
Net Movement in Petty Cash	45	45	63	63
<b>Petty Cash – 31 March</b>	<b>449</b>	<b>449</b>	<b>404</b>	<b>404</b>

<b>Cash at Bank Movement</b>	<b>2013 SCNI</b>	<b>2013 GROUP</b>	<b>2012 SCNI</b>	<b>2012 GROUP</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Balance at 1 April	231,937	272,378	929,812	1,026,210
Net Change in Cash and Cash Equivalent Balances	753,435	784,418	(697,875)	(753,832)
<b>Balance at 31 March</b>	<b>985,372</b>	<b>1,056,796</b>	<b>231,937</b>	<b>272,378</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>2013 SCNI £</b>	<b>2013 GROUP £</b>	<b>2012 SCNI £</b>	<b>2012 GROUP £</b>
Commercial Banks and Cash in Hand	985,821	1,057,245	232,341	272,782

#### 14. Trade and Other Payables

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

	<b>2013 SCNI £</b>	<b>2013 GROUP £</b>	<b>2012 SCNI £</b>	<b>2012 GROUP £</b>
Trade Payables	-	114,124	-	89,739
VAT	838	838	-	-
Other Payables	503,696	696,036	1,050,001	1,201,971
<b>Total Trade and Other Payables</b>	<b>504,534</b>	<b>810,998</b>	<b>1,050,001</b>	<b>1,291,710</b>
<b>Grant Commitments</b>	<b>2,356,822</b>	<b>2,356,822</b>	<b>4,640,196</b>	<b>4,640,196</b>
<b>Total Current Liabilities</b>	<b>2,861,356</b>	<b>3,167,820</b>	<b>5,690,197</b>	<b>5,931,906</b>

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

	<b>2013 SCNI £</b>	<b>2013 GROUP £</b>	<b>2012 SCNI £</b>	<b>2012 GROUP £</b>
Balances with central government	23,802	23,802	29,870	29,870
Balances with local authorities	472,144	472,144	2,194,151	2,194,279
Balances with other government organisations	184,059	361,986	514,842	519,399
Balances with bodies external to government	2,181,351	2,309,888	2,951,333	3,188,358
	<b>2,861,356</b>	<b>3,167,820</b>	<b>5,690,196</b>	<b>5,931,905</b>



**15. Non-Current Liabilities****15 (a). Provision**

	<b>2013 SCNI £</b>	<b>2012 GROUP £</b>
Balance at 1 April 2012	-	-
Provided in Year	47,120	47,120
Balance at 31 March 2013	<u>47,120</u>	<u>47,120</u>

  

	<b>2013 SCNI £</b>	<b>2012 GROUP £</b>
Analysis of expected timing of discounted flows		
Not later than one year	-	-
Later than one year and not later than five years	47,120	47,120
Later than five years	-	-
<b>Balance at 31 March 2013</b>	<u><b>47,120</b></u>	<u><b>47,120</b></u>

The provision relates to legal costs that Sports Council has to pay to a third party. There is approximately three years remaining in which the other party can claim these costs.

**15 (b). Pension**

	<b>Note</b>	<b>2013 SCNI £</b>	<b>2013 GROUP £</b>	<b>2012 SCNI £</b>	<b>2012 GROUP £</b>
Pension Liability	4	<u>3,473,000</u>	<u>3,473,000</u>	<u>2,699,000</u>	<u>2,640,500</u>

**16. Explanation of Reserves*****General Reserve***

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

***Pension Reserve***

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

***Revaluation Reserve***

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

## **17. Commitments Under Leases**

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

	<b>2013</b>		<b>2012</b>	
	<b>Land &amp; Buildings £</b>	<b>Other £</b>	<b>Land &amp; Buildings £</b>	<b>Other £</b>
Operating Leases which Expire:				
Within One Year	-	-	-	-
Within Two and Five Years Inclusive	-	-	-	-
Over Five Years	2,250	-	2,250	-
<b>Total</b>	<b>2,250</b>	<b>-</b>	<b>2,250</b>	<b>-</b>

The land which Tollymore National Outdoor 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:

- Sports Matters - £890,684;
- Mountain Rescue - £80,000;
- Countryside Recreation - £250,000;
- Disability - £327,500; and
- Special Olympics - £1,216,653.

Amounts contracted but not provided in the financial statements total £NIL (2011/12: £NIL).

## **19. Contingent liabilities**

### **1. 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.

### **2. Payment Terms**

A member of staff requested a review of their payment terms. At this time, it's not possible to predict the potential financial impact on Sports Council, as the outturn will be determined by the approval of a business case and the 2012/13 pay remit by DCAL.

## 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.

Council Member	Grantee	Commitments to Grantee £	Relationship of Council Member to Grantee
Brian Delaney	Athletics Northern Ireland	6,500	Volunteer Marshall – Current
	Irish Football Association	7,800	Member of Appeals Panel – Current
Barry MaCaulay	Disability Sports Northern Ireland	540,146	Vice - Chairman – Current
Roisin Mallon	Athletics Northern Ireland	6,500	Person Connected – Subscribing Member – Current
	Netball Northern Ireland	3,629	Person Connected – Subscribing Member – Current
	Ulster Council GAA	27,800	Family Membership
Shane McCullough	Irish Football Association	7,800	Honorary Officer – Current
Danny O'Connor	Basketball Northern Ireland	1,520	Subscribing Member – Current
	North Belfast Play Forum	80,000	Board Member
Dominic Walsh	UB Irish Rugby Football Union	24,450	Non-Executive Director – Former

Staff Member	Grantee	Commitments to Grantee £	Relationship of Staff Member to Grantee
Ali Campbell	Athletic Northern Ireland	6,500	Subscribing Member (Coach) – Current
	Ulster Hockey Union	12,937	Person Connected – Subscribing Member – Current
	Jacqueline McKernan	4,300	Friend
Michael Cooke	Derry City Council	16,000	Provision of support to North West Coaching Network
Leslie Dewart	Southern Sports Partnership	18,000	Coach
	Ulster Branch Badminton Union of Ireland	6,000	Subscribing Member – Current
Conleth Donnelly	Lisburn City Council	5,000	Former Employee
	St Patricks GAC (Loup)	245,000	Former Coach
Joe Donnelly	St Patricks College, Bearnageeha	1,750	Former Pupil
Trevor Fisher	Canoe Association of Northern Ireland	10,000	Subscribing Member – Current
	Royal Yachting Association	2,700	Subscribing Member – Current
Robin Gregg	Canoe Association of Northern Ireland	10,000	Subscribing Member – Current
Oisin Hallissey	Canoe Association of Northern Ireland	10,000	Subscribing Member – Current
Nick Harkness	Canoe Association of Northern Ireland	10,000	Subscribing Member – Former

<b>Staff Member</b>	<b>Grantee</b>	<b>Commitments to Grantee £</b>	<b>Relationship of Staff Member to Grantee</b>
Liam Hinphey	North Down Borough Council	1,857,972	Former Employee
	Ulster Council GAA	27,800	Person Connected – Salaried Employee – Current
Noleen Lennon	Basketball Northern Ireland	1,520	Subscribing Member – Current
	Netball Northern Ireland	3,629	Subscribing Member – Current
Diarmaid McAuley	Netball Northern Ireland	3,629	Person Connected – Salaried Employee – Current
Mike McClure	Canoe Association of Northern Ireland	10,000	Subscribing Member – Current
Jill Poots	Athletics Northern Ireland	6,500	Person Connected – Member of Schools Athletics Club
	Lisburn City Council	5,000	Person Connected – Salaried Employee – Current
	Royal Yachting Association	2,700	Person Connected – Subscribing Member – Current
	Ulster Hockey Union	12,937	Persons Connected – Involved in schools and clubs, represented Ulster and Ireland in 2012
James Rowlinson	NI Judo Federation	3,031	Subscribing Member – Current
David Smyth	Ulster Hockey Union	12,937	Coach – Current
Andrew Sloan	Belfast Marathon	10,000	Non-Executive Director

<b>Staff Member</b>	<b>Grantee</b>	<b>Commitments to Grantee £</b>	<b>Relationship of Staff Member to Grantee</b>
Laura Strong	UB Irish Table Tennis Association	1,000	Person Connected – Subscribing Member – Current
Simon Toole	Ulster Hockey Union	12,397	Subscribing Member (Coach) – Current

**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;
- Shane McCullough;
- Gerard Campbell – appointed 1 July 2012; and
- Patrick Turnbull – resigned 14 June 2012.

Sports Council for Northern Ireland employs the following staff who hold positions at the Sports Institute Northern Ireland:

- Shaun Ogle (Executive Director); and
- Ian Weir (Business Manager).

In addition a number of staff within Sports Council carry out functions on behalf of the Sports Institute. These include:

- Leigh Brown (Internal Auditor);
- Turlough Gorman (Human Resources Manager);
- Robin Gregg (Talent Systems Manager);
- Andrea McKittrick (Business Systems Co-Ordinator); and
- Nicola McClean (Human Resources Assistant).

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**

There were no bad debts written off or provisions made during the year (2011/12: £10,560).

During the year there were no losses (2011/12: Nil).

The SINI had no bad debts written off during the year (2011/12: Nil), and no cash losses.

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

IAS 39 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 Accounting Officer authorised the issue of these financial statements on 28 June 2013.

## **23. 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 2013 there was a surplus of £30,285 for the year (before actuarial losses), and no net assets.

**ANNEX A**

**ACCOUNTS DIRECTION**

**SPORTS COUNCIL FOR NORTHERN IRELAND**

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

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

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

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

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

**PAUL SWEENEY**  
Permanent Secretary

**19 May 2006**



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