

**The Sports Council for Northern Ireland**  
**Annual Report and Accounts**  
**For the year ended 31 March 2014**

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*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*

*3<sup>rd</sup> July 2014*

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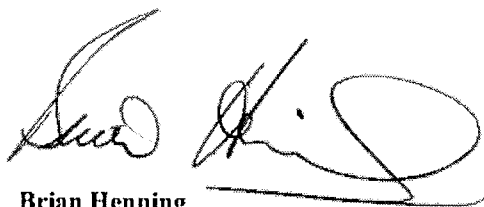
## **Chairman's Foreword**

I am delighted to introduce the 2013-14 Annual Report for the Sports Council for Northern Ireland (hereafter Sports Council). This Annual Report is testament not only to the progress achieved by the Sports Council and its staff, but to the strength of the partnerships which have been built over the years. The achievements highlighted in this document tell the story of what these partnerships are accomplishing.

Sport often demonstrates its contribution to other areas of Northern Ireland life, such as health, social and economic development, education, community development, and addressing social disadvantage. While these benefits are extremely valued, we also get passionate about sport because of the enjoyment and 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.

Sports Council wants to make sure we preserve our existing sporting culture, and also cultivate and strengthen it now and for the future. Sport Matters offers a vision and a direction to help us achieve that. We want this region to realise the vision of Sport Matters - to create 'a culture of lifelong enjoyment and success in sport'.

2014 is already promising to be an exciting year for sport, with the Giro d'Italia, which will provide a platform to bring opportunity, enjoyment and passion to everyone in this region; and the Special Olympic Games and the Glasgow Commonwealth Games are now firmly on the horizon, where we can watch many of our home-grown athletes compete for medal success. Northern Ireland sport has an opportunity to flourish yet again.

A handwritten signature in black ink, appearing to read 'Brian Henning', with a large, stylized flourish extending from the end of the signature.

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

## **Chief Executive's Statement**

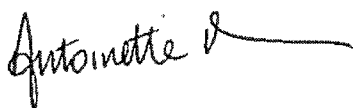
Sport has always been a major driving force in the communities here providing a solid platform on which to develop strong, cohesive communities, and nurture home grown athletes who bring pride to the entire community.

Sport provides us all with inspirational and invaluable moments, and 2013-14 was no different as Kelly Gallagher won a Gold medal at the Sochi Winter Games. Kelly is one of our many athletes who have shown incredible commitment; training day in, day out, and demonstrating their immense skill at major competition level. Attention now turns to the Glasgow Commonwealth Games, with many of our athletes focusing all their efforts on being at the top of their game; a further opportunity to not only use the power of sport to inspire the people of Northern Ireland, but also for our athletes to deliver success.

Northern Ireland hosted the 2013 World Police and fire Games with tremendous success. The Games were a truly massive event, welcoming 7,000 competitors from 67 countries - the third largest international multi-sport event in the world, and the largest sporting event to ever take place in Northern Ireland. 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 - Sports Council pays tribute to being the best we can be.

My thanks go to all those organisations and individuals who have worked in partnership with Sports Council to further the development of sport in this region. I would like acknowledge all those involved in the ongoing 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.

As the new Chief Executive of the Sports Council, I am hugely proud to lead a team of highly skilled staff with an abundance of sporting intelligence, passion and pride. I look forward to the incoming financial year, working with our partners to ensure everyone reaps the benefits sport and physical recreation can bring. We can all harness the power of sport - 'Sport United: Together Better'.



**Antoinette McKeown**  
**Chief Executive and Accounting Officer**  
**Sports Council for Northern Ireland**

**Date: 25 June 2014**

## **Annual Report – Directors' Report**

### **Statutory Background**

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

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

Article 5 of the 1986 Order as amended by the Financial Provisions (NI) Order 1991 provides that the Department may, subject to such conditions as the Department thinks fit, make grants towards the expenses of the Sports Council.

These financial statements have been prepared on an accruals basis and show a true and fair view of the state of affairs of the Sports Council's activities at the year end and of its net expenditure, changes in taxpayers' equity and cash flows for the financial year. They have also been prepared in accordance with Article 7 of the Order and in a form directed by DCAL with the approval of the Department of Finance and Personnel. A copy of the Accounts Direction can be found at Annex A.

### **Organisation Structure**

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

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

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

The Sports Council consists of a Chairman and Vice-Chairman and other persons appointed by the Minister, after a selection and recruitment process that is carried out by DCAL. 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.

## Sports Council for Northern Ireland Exchequer Account 2013-14

DCAL appointed members through various recruitment exercises for a four year term. The following persons served as members during the financial year 2013/14.

### **Sports Council Membership**

Mr B Henning (Chairman)  
Mr J D'Arcy – Appointed Interim Vice Chair (until 31 March 2014)  
Mr M Cowan – Resigned 17 May 2013  
Mr B Macaulay  
Mr D O'Connor  
Mr R Carr – Resigned 28 June 2013  
Mr P Cummings  
Mr G Campbell  
Mr B Delaney  
Ms R Mallon  
Mr S McCullough  
Mr J O'Neill

The following members were appointed from 1 April 2014, for a four year term:

### **Sports Council Membership**

Mr I McAvoy (Vice-Chairman)  
Ms A Bingham  
Mr R Bullick  
Mr E Lynch  
Mr G Wilson

During the year all committees apart from the Audit and Risk Management Committee were dissolved. The Remuneration Committee was set up on the 4 June 2013, with its responsibilities to include:

- The appointment of the Chief Executive;
- Agreeing the salary of the Chief Executive; and
- Appraisal of the Chief Executive.

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

Mr B Henning (Chairman)  
Mr J D'Arcy (Vice Chairman)  
Mr D O'Connor  
Mr G Campbell

### **Board Directorships or Other Interests**

Note 22 details any interests held by Board Members.

### **Audit**

#### ***External Audit***

The Sports Council for Northern Ireland Accounts are required to be audited by the Comptroller and Auditor General. 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 and Risk Management Committee***

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

Mr G Campbell - Chairman Appointed 4 June 2013

Mr P Cummings - Vice Chairman (Acting Chairman 4 March 2013 to 3 June 2013)

Ms R Mallon

Mr J D'Arcy

The internal audit function will be outsourced from 1 April 2014.

**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.

**Sickness Absence Data**

The Sports Council had an average of 6.9 days absence per full time equivalent person in 2013/14 (12.4 days: 2012/13).

**Personal Data Related Incidents**

There were no data related incidents during the year.

## Sports Council for Northern Ireland Exchequer Account 2013-14

### **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 2013/14 Sports Council paid 96% (2012/13: 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 2014 was £16.258m (2012/13: £15.471m). The Council's share of the scheme liabilities was £19.940m (2012/13: £18.944m). The Sports Council's share of the scheme recorded net pension liabilities at 31 March 2014 was £3.682m (2012/13: £3.473m).

For further details on pension liabilities and how they are treated in the financial accounts see note 1.13.

### **Chief Executive**

From 1 June 2012, Nick Harkness, Director of Participation, had been appointed as Acting Chief Executive and Accounting Officer. Antoinette McKeown the new Chief Executive took up her post on 2 September 2013.

### **Consolidated Accounts**

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.



**Antoinette McKeown**  
**Chief Executive and Accounting Officer**  
**Sports Council for Northern Ireland**

**Date: 25 June 2014**

## **Annual Report – Strategic Report**

### **Financial Results**

The results of the Sports Council are set out in detail on page 38. The total comprehensive net expenditure for the year was £15,098,355 (2012/13: £19,690,417). The reserves at the year-end show a deficit of £959,080 (2012/13: surplus £793,956).

### **Review of Activities and Key Performance Indicators (KPIs)**

Sports Council has six Strategic Priorities against which are set six Corporate KPI's which measure performance against the overall 66 KPI's.

Ratings for the 66 output targets are broken down by Strategic Priority in Table 1 below. In summary, for 2013/14 the table shows that:

- **59 (89%)** have been achieved (Green); and
- **7 (11%)** have not been achieved (Red).

<b>Strategic Priority (No of KPIs)</b>	<b>GREEN</b>	<b>AMBER</b>	<b>RED</b>
1. Active People (11)	10	0	1
2. Successful Athletes (9)	9	0	0
3. Quality Facilities (9)	6	0	3
4. Enabled Partners (14)	13	0	1
5. A Competent Sporting Workforce (8)	8	0	0
6. A Trusted and Effective Leader (15)	13	0	2
	<b>59</b>	<b>0</b>	<b>7</b>

Below is a selection of case studies demonstrating the significant work of the Sports Council during 2013-14 via Exchequer funding.

### **Performance**

#### **Coaching Legacy**

The Sports Council's Coaching Legacy Programme aims to support identified governing bodies of sport to reduce many of the barriers associated with the education and development of locally-based coaches who are delivering within talent development and/or high performance environments.

The programme provides financial support for the provision of coach development interventions such as workshops, qualifications, mentoring, study visits, and the facilitation of coaching communities of practice. This has enabled the governing bodies of sport involved to accelerate the education of their coaches, as their needs have been identified, managed, supported, and targeted more effectively.

Twenty-one governing bodies of sport participated in Year 1 of the Coaching Legacy Programme, resulting in 201 coaches receiving targeted support. 93% of coaches involved agreed that their participation in the programme had made a positive impact on their coaching.

Club Leaders NI

The Sports Council's Club Leaders Programme was launched in January 2014 with the aim of helping those involved in the day to day running of local sports clubs with the business side of things. Working in partnership with Pricewaterhouse Coopers, Club Leaders offers free training and support, covering: business and financial planning; marketing; governance; and facilities management for all local clubs.

The Club Leaders Programme provides: face to face training for groups through the delivery of seminars focusing on key business skills that clubs need to be sustainable; online modules and toolkits covering business and financial planning, marketing, governance and facilities; and one to one mentoring relationships with an experienced business professional to deliver a more intensive and personalised form of learning over an extended period of time.

**Participation**

Active Schools

The Sports Council's Active Schools Programme was developed and piloted in 2013. The small grants programme supported/enhanced the delivery of afterschool sport and physical recreation and created/strengthened 'pathways' from (after)school-based participation to sustained involvement in local sports clubs. The Active Schools Programme invested £350,000 through small grants of up to £10,000 in afterschool sports projects.

One such project funded through Active Schools was orienteering through Cedar Integrated Primary School (Crossgar), in partnership with British Orienteering and Orienteering NI.

The project targeted children with Special Educational Needs, many of whom find the 'contact' aspect of traditional field based team sports unsuitable. The Sports Council's funding enabled the school to purchase equipment to allow participation e.g. kites, punchers and site maps. Coaches from Orienteering NI led the club each week and provided training for staff and parents to ensure sustainability.

The sessions included a number of children with Statements of Special Educational Need and are on the Autistic Disorder Spectrum and who find participation in more traditional sports challenging - in terms of 'reading the game' and understanding the level of physical contact.

The teachers and parents report that all the children were able to fully participate in a fun and inclusive activity. The project has also enabled the school to develop and strengthen links with their local orienteering club, and provided an outlet for future engagement.

Activ8 Giro Big Start 2014

Activ8 is a successful social marketing campaign developed by the Sports Council in 2009. Activ8 seeks to raise awareness among children, parents (and wider family circle) and teachers of the importance of getting at least 60 minutes of physical activity every day - in line with UK Chief Medical Officers' recommendations.

The Sports Council has been a key planning and delivery partner in the development and creation of a local legacy for children and young people arising from the Giro d'Italia 'Grande Partenza' which took place in Belfast in May 2014. Drawing on experience and learning from the London 2012 Olympic and Paralympic Games and the 2013 World Police and Fire Games, the Sports Council worked with a range of partners to design a series of interventions which increased awareness and opportunity for children across Northern Ireland to get involved in cycling/active travel in the build-up to the Giro d'Italia.

#### Sports Council for Northern Ireland Exchequer Account 2013-14

The Sports Council has worked with the Department of Education, the Council for the Curriculum Examinations and Assessment (CCEA), and C2K to develop a new interactive website; hosted by C2K and accessible to every school in Northern Ireland. The website provides a number of cross-curricular pupil/teacher learning resources which used the Giro Big Start to increase awareness of cycling and physical activity, diet and nutrition, history, geography, art and design, and literacy and numeracy.

The initiative has succeeded in introducing cycling as a fun, accessible and sustainable activity to children, parents, families and teachers. The Sports Council plans to build on this work with a series of further 'legacy' activities in 2014-15.

#### Tollymore National Outdoor Centre

St Mary's Youth Club in Derry's Creggan Estate is one of the city's oldest youth clubs and has recently been awarded a grant of £2.3 million to build new premises. This investment will allow a modern youth facility to be built right in the heart of the community in an area of great social and economic need. Part of the redevelopment will include the construction of a climbing wall. In early 2014, seven youth leaders from St. Mary's Youth Club attended a 'Climbing Wall Award' training course in Tollymore National Outdoor Centre. Tollymore National Outdoor Centre is Northern Ireland's sole provider of this governing body award and the training and assessment provided to the youth leaders will allow them to use climbing as a both a medium for social development, as well as an adventurous activity in itself. The scope of the Climbing Wall Award is such that the leaders, when successfully assessed, will be in a position to provide a range of climbing wall sessions to groups and individuals, not just in the Creggan area, but on any climbing wall in the UK or Ireland. The seven trained youth leaders will have a direct impact on between 300 and 400 young people in the Creggan area, who currently use the youth club facilities.

This type of training is an example of the ongoing work that Tollymore National Outdoor Centre is increasingly proactive in delivering to communities and organisations, to enable the leaders to have a direct impact on the young people they work and interact with through using the medium of adventure activities. It will provide a contribution to the invaluable role of building a strong community, and educating and empowering young people. In the context of the community and the wider society, all the evidence shows that this type of investment in youth services is money well spent.

#### **Places**

##### Mourne Heritage Trust

In 2012 the Mourne Heritage Trust, through funding from the Northern Ireland Environment Agency and Sports Council, commissioned Dafydd Davis to undertake a strategic path review in the Mourne Mountains and Slieve Croob hills. This report highlighted the extensive use made of the path network and also the levels of erosion and damage that were being caused to the hills through recreation.

As a result of this report a series of key works have been identified for the uplands that will help to alleviate the issues.

The new Outdoor Recreation Action Plan which has just been published and is approved by three Ministers (the Department of Culture, Arts and Leisure (DCAL), the Department of the Environment (DOE) and the Department of Enterprise, Trade and Investment (DETI)), highlights the importance in Northern Ireland of "hubs for recreation". These hubs are critically important as under the current legislation access to the wider countryside is much more restricted than in other parts of the UK or Ireland. The management and development of these key hubs is critical to ensure that recreational activities can be sustainable and enjoyed by generations to come.

The Action Plan also highlights the need for funding streams that can support access, not just from a path creation point of view but for the management and maintenance of trails, access points and boundaries with agricultural land. The Mourne has set a good example of how capacity and confidence building with land owners and local people can improve access opportunities.

The project centred around repair of over 5km of heavily eroded paths at locations around Slieve Binnian, the Brandy Pad and Slieve Donard by skilled contractors working to a detailed specification prepared by Mourne Heritage Trust.

Complementing this were 'stitch in time' and 'stay on track' works by the Trust's countryside staff in key access corridors to the uplands. A final ingredient was the input of volunteers under the Trust's Active Lifestyles programme, including reinstatement works to minimise adverse impacts on sensitive habitats and visual amenity.

These works contribute to maximising opportunities for increased, sustained participation and excellence in outdoor sports.

#### Eglinton Community Ltd

The Eglinton Community Ltd project was funded through the Sport Council's Community Capital Programme. The aims of this programme are:

- To support the outcomes of 'Sport Matters' - The Northern Ireland Strategy for Sport and Physical Recreation 2009-2019;
- To support the needs of low capacity applicants and areas of historically low uptake of Sports Council's capital funding;
- To prioritise sports organisations/clubs (via a high weighted scoring) who have not received Sports Council's capital funding in the last 10 years;
- To assist in the delivery of schemes aligned with 'Active Places Research Report 2009 - Bridging the Gap';
- To cater potentially, but not exclusively, for projects based at community halls which have the potential to provide sport 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 for 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 a wide range of sports.

The Eglinton Community Ltd project funded the construction of an extension to existing community building to include sports hall, community hall and associated ancillary works with an award of £245k; enabling the increase of participation in sport and physical activity across all sections of the local community in Eglinton with emphasis under 18s, women and girls, disabled and ethnic minority participants.

These new facilities have facilitated the development of the following:

- Summer schemes;
- A running club; and
- A choreographed youth dance programme.

The Eglinton Community Ltd project has also developed a partnership with the Rural Area Partnership in Derry (RAPID) to form a Healthy Ageing Network in Derry (HAND) as a social enterprise. The HAND project is running a programme called fighting fit, a mixture of physical activity, a community pharmacy, and health information for all rural wards. Eglinton are hosting an open day for over 60s to enrol and request GP Referrals for physical activity to be run at Eglinton Community Hall for participants from across the rural wards of Derry City Council in order to increase the number of older people accessing sport and physical activity. This is the first time a GP referral has been offered in a rural area and it is due to the strength of the HAND project that they are able to establish classes specifically for over 60s.

### **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.

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

The movement on non-current assets is set out in notes 11 and 12 to the financial statements. The carrying amount of assets decreased from £6,021,444 to £5,936,127 This movement has been mainly due to additions, revaluations, depreciation and amortisation charges for the year.

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

The general reserve showed a surplus of £2,112,875 (2012/13: surplus £3,954,967) for the year.

### **Going Concern**

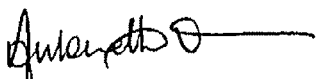
The Accounts of Sports Council are produced on the going concern basis. The Sports Council is not aware of any reason to adopt a different basis.

### **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 (2012/13: £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.



**Antoinette McKeown**  
**Chief Executive and Accounting Officer**  
**Sports Council for Northern Ireland**

**Date: 25 June 2014**

## **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 Acting Chief Executive and new Chief Executive are normally employed on terms analogous to Senior Civil Service Grade 5, however, DCAL agreed that special salary scales should be applied to both positions. All other executive directors are employed analogous to Grade 7.

As part of the annual pay award, all staff with acceptable performance received 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. There are to be no payments for performance during 2013/14. The pay remits for 2012/13 and 2013/14 were approved by the Department of Finance and Personnel and paid in November 2013.

The Acting Chief Executive was not eligible to receive a non-consolidated bonus payment as part of the 2012/13 pay award. Following the implementation of the agreed new special salary scales for the Acting Chief Executive the pay remit for 2012/13 is currently being updated for submission to DCAL shortly.

The Sports Council Staffing Committee was dissolved during the year. The Remuneration Committee was set up on 4 June 2013 and the new Committee's Terms of Reference were agreed at their first meeting on 6 August 2013. The Remuneration Committee is responsible for approving the Chief Executive's salary and assessing performance. Membership is made up of the following Council Members:

<b>Remuneration Committee</b>
Mr B Henning (Chairman)
Mr J D'Arcy (Vice Chairman)
Mr G Campbell
Mr D O'Connor

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

The Sports Council appointed an Acting Chief Executive on 1 June 2012 who remained in this position until the new Chief Executive took up her position on 2 September 2013. Due to the Acting Chief Executive position being filled internally, a subsequent vacancy was then created and an Acting Director of Participation was appointed from September 2012 until 31 August 2013.

### **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.

Employee	2013-14					2012-13				
	Salary £'000	Bonus £'000	Benefits in kind (to nearest £100)	Pension Benefits (to nearest £1,000)*	Total £'000	Salary £'000	Bonus £'000	Benefits in kind (to nearest £100)	Pension Benefits (to nearest £1,000)*	Total £'000
Antoinette McKeown Chief Executive (from 2 September 2013)	45-50 (80-85 full year equivalent)	-	100	13	60-65	-	-	-	-	-
Eamonn McCartan Previous Chief Executive (until 31 October 2012)	-	-	-	-	-	70-75 (90-95 full year equivalent)	-	200	33	100-105
Nick Harkness Director of Participation (from 2 September 2013)	35-40 (65-70 full year equivalent)	-	200	47	125-130	10-15 (60-65 full year equivalent)	-	200	19	80-85
Acting Chief Executive (until 1 September 2013)	40-45 (80-85 full year equivalent)	-	-	-	-	50-55 (60-65 full year equivalent)	-	-	-	-
Shaun Ogle Director of Performance	65-70	-	200	12	75-80	65-70	-	200	19	80-85
Andrew Sloan Director of Corporate Services	65-70	-	200	14	75-80	65-70	-	200	14	75-80
John News Acting Director of Participation (until 31 August 2013)	20-25 (55-60 full year equivalent)	-	200	11	60-65	30-35 (55-60 full year equivalent)	-	200	25	60-65
Band of Highest Paid Director's Total Remuneration	80-85					65-70				
Median Total Remuneration	29,640					29,088				
Ratio	2.8					2.3				

Salary costs include salary arrears from previous financial years.

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

### **Sports Council Members Emoluments**

The Chairman received honorarium totalling £10,000 (2012/13: £3,333 (full year equivalent £10,000)). The Chairman's honorarium is partially recharged to the Lottery Distribution Account £4,200 (2012/13: nil). An Interim Vice-Chairman was in post from 11 September 2012 to 31 March 2014, and requested not to be remunerated for this role. DCAL appointed a new Vice-Chairman on 1 April 2014.

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 2013/14.

### *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 110 employees, of which, 12 were employed for part of the year. 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 12 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.

Sports Council for Northern Ireland Exchequer Account 2013-14

Employee contribution rates are based on pensionable pay and are in the range 5.5%-7.5%. For 2013/14 the rates were as follows:

Band	Range	Contribution Rate
1	£0 - £13,700	5.5%
2	£13,701 - £16,100	5.8%
3	£16,101 - £20,800	5.9%
4	£20,801 - £34,700	6.5%
5	£34,701 - £46,500	6.8%
6	£46,501 - £87,100	7.2%
7	More than £87,100	7.5%

The employer contribution rate for 2013/14 was 20%.

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 3 to the accounts.

**Audited Information**

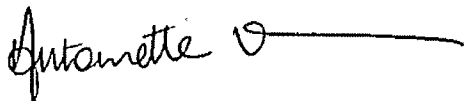
Employee	Accrued pension at pension age as at 31/3/14 and related lump sum	Real increase in pension and related lump sum at pension age	CETV at 31/3/14	CETV at 31/3/13	Real increase in CETV
	£'000s	£'000s	£'000s	£'000s	£'000s
Antoinette McKeown Chief Executive (from 2 Sept 13)	0-5 plus Nil lump sum	0-2.5 plus Nil lump sum	9	-	9
Nick Harkness Acting Chief Executive (ended 1 Sept 13)	25-30 plus 60-65 lump sum	2.5-5 plus 2.5-5 lump sum	464	404	49
Director of Participation (from 2 Sept 13)					
Shaun Ogle Director of Performance	20-25 plus 55-60 lump sum	0-2.5 plus (0-2.5) lump sum	451	417	23
Andrew Sloan Director of Corporate Services	10-15 plus 25-30 lump sum	0-2.5 plus (0-2.5) lump sum	214	193	16
John News Acting Director of Participation (ended 30 August 13)	10-15 plus 20-25 lump sum	0-2.5 plus (0-2.5) lump sum	167	151	12

*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.



**Antoinette McKeown**  
**Chief Executive and Accounting Officer**  
**Sports Council for Northern Ireland**

**Date: 25 June 2014**

## **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.

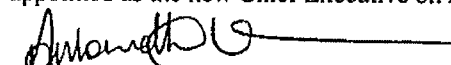
The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of the Sports Council's activities at the year-end and of its net expenditure, changes in taxpayers' equity and cash flows for the financial year.

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

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

The Accounting Officer for DCAL has designated the Chief Executive of the Sports Council as the Accounting Officer for the Sports Council. Her relevant responsibilities as Accounting Officer, including her responsibility for the propriety and regularity of the finances for which she 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).

From 1 June 2012 to 1 September 2013, Nick Harkness, Director of Participation, had been appointed as Acting Chief Executive and Accounting Officer. Antoinette McKeown was appointed as the new Chief Executive on 2 September 2013.



**Antoinette McKeown**  
**Chief Executive and Accounting Officer**  
**Sports Council for Northern Ireland**

**Date: 25 June 2014**

## **Annual Governance Statement**

### **(A) Purpose of the Governance Statement**

Sports Council is required to include a Governance Statement with its annual accounts. The purpose of the Governance Statement is to explain what arrangements Sports Council has in place to identify, evaluate and manage the risks to the achievement of objectives. Sports Council's Governance Statement is informed by the corporate risk register, quarterly and annual assurance statements to the Department, management reports and findings from third party reviews.

### **(B) Scope of Responsibility**

As Accounting Officer of Sports Council, I am personally responsible for safeguarding the public funds for which I have charge; for ensuring propriety and regularity in the handling of those public funds; and for the day-to-day operations and management of Sports Council.

As Accounting Officer, I exercise the following responsibilities in particular:

- Establish, in agreement with the Department, Sports Council's corporate and business plans in support of the Department's wider strategic aims and current Programme for Government objectives and targets;
- Inform the Department of Sports Council's progress in helping to achieve the Department's policy objectives and in demonstrating how resources are being used to achieve those objectives; and
- Ensure timely forecasts and monitoring information on performance and finance are provided to the Department; that the Department is notified promptly of overspends or underspends and that corrective action is taken; and that any significant problems, whether financial or otherwise, and whether detected by internal audit or by other means, are notified to the Department in a timely fashion;
- Advise the Board on the discharge of its responsibilities as set out in the Management Statement and Financial Memorandum, the Recreation and Youth Service (Northern Ireland) Order 1986 and in any other relevant instructions and guidance that may be issued by DFP or the Department;
- Advise the Board on Sports Council's performance compared with its aims and objectives;
- Ensure that financial considerations are taken fully into account by the Board at all stages in reaching and executing its decisions, and that standard financial appraisal techniques are followed appropriately;
- Take action as set out in Section 3.8 of Managing Public Money Northern Ireland if the Board, or its Chairman, is contemplating a course of action involving a transaction which would infringe the requirements of propriety or regularity, or does not represent prudent or economical administration, efficiency or effectiveness;
- Ensure that a system of risk management is maintained to inform decisions on financial and operational planning and to assist in achieving objectives and targets;
- Ensure that an effective system of programme and project management and contract management is maintained;
- Ensure compliance with the Northern Ireland Public Procurement Policy;
- Ensure that all public funds made available to Sports Council including any income or other receipts, are used for the purpose intended and are used economically, efficiently and effectively;
- Ensure that adequate and appropriate internal management and financial controls are maintained including effective measures against fraud and theft;

#### Sports Council for Northern Ireland Exchequer Account 2013-14

- Maintain a comprehensive system of internal delegated authorities that are notified to all staff, together with a system for regularly reviewing compliance with these delegations;
- Ensure that effective personnel management policies are maintained;
- Sign the accounts and be responsible for ensuring that proper records are kept relating to the accounts and that the accounts are properly prepared and presented in accordance with any directions issued;
- Sign a Statement of Accounting Officer's responsibilities, for inclusion in the annual report and accounts;
- Sign a Governance Statement for inclusion in the annual report and accounts;
- Ensure that effective procedures for handling complaints are established;
- Ensure that Sports Council acts in accordance with the Financial Directions issued by the Department on behalf of the Secretary of State for Culture, Media and Sport under s26(3) of the National Lottery etc. Act 1993;
- Give evidence before the Public Accounts Committee on the use and stewardship of public funds by Sports Council;
- Ensure that an Equality Scheme is in place;
- Ensure that 'Lifetime Opportunities' (Government's Anti-Poverty and Social Inclusion Strategy for Northern Ireland) is taken into account;
- Ensure compliance with all legislative requirements including the Data Protection Act 1998 and the Freedom of Information Act 2000.
- As Sports Council's Consolidation Officer, prepare the consolidation information, which sets out the financial results and position of Sports Council; for arranging for its audit; and for sending the information and the audit report to the Principal Consolidation Officer nominated by DFP;
- Comply with the requirements of Sports Council's Consolidation Officer Letter of Appointment as issued by DFP;
- Ensure that Sports Council has in place and maintains sets of accounting records that will provide the necessary information for the consolidation process;
- Prepare all necessary consolidation information in accordance with the consolidation instructions and directions issued by DFP "Dear Consolidation Office" (DCO) and "Dear Consolidation Manager" (DCM) letters on the form, manner and timetable for the delivery of such information.

#### **(C) Governance Framework**

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

The governance framework comprises the systems and processes, and culture and values, by which Sports Council is directed and controlled and the activities through which it accounts to, engages with the public and other stakeholders. It enables 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.

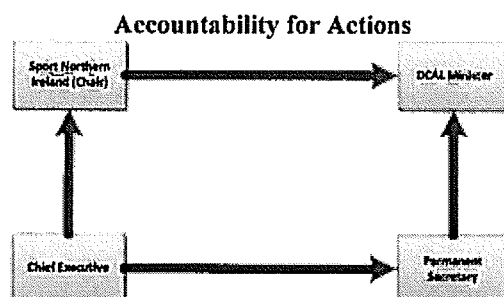
The system of internal control is a significant part of that framework and is designed to manage risk to a reasonable level. It cannot eliminate all risk of failure to achieve policies, aims and objectives, and can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of 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 outlined below has been in place for the year ended 31 March 2014 and up to the date of approval of the annual report and accounts.

## Sports Council's Governance Framework

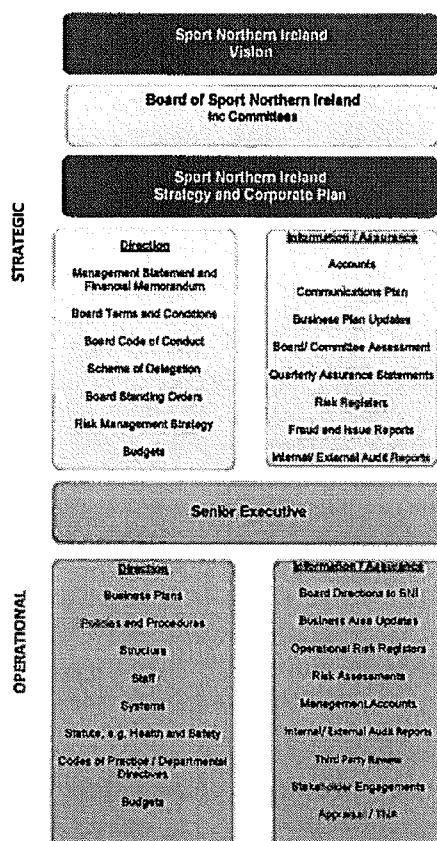
As an Arm's Length Body of the Department of Culture, Arts and Leisure (DCAL), Sports Council is publicly accountable to DCAL and its Minister for its performance and the use of its resources. See figure 1.

Fig 1



Sports Council's Governance Framework is predicated on the provisions laid out within 'Corporate Governance in Central Government Departments 2013' as is detailed below in figure 2.

Fig 2





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

**1. Sports Council's Vision, Purpose and Intended Outcomes**

In delivering on its strategic objectives, Sports Council produces a three-year corporate plan and an annual business plan. The corporate plan is a forward looking document linking the operational activities of Sports Council to its strategy.

Following DCAL's decision to undertake further stages of the Regional Stadium, a new corporate strategy for 2012-2015 was developed. The plan and associated 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.

**2. Board**

Sports Council is headed by a Board of 15 Members. The principal role of the Board is the stewardship of all public resources entrusted to Sports Council to aid the realisation of the policies and priorities of the Minister and the Northern Ireland Executive.

Supporting the Board are both the Audit and Risk Management Committee and Remuneration Committee.

**Audit and Risk Management Committee**

The Audit and Risk Management Committee support the Board and Accounting Officer by reviewing the comprehensiveness and reliability of assurances on governance, risk management, the control environment and the integrity of financial statements and the annual report. The Committee consists of four members who are appointed by the Chair of the Board and who serve on the Committee for a four-year term. The Committee will normally meet four times a year.

The Audit and Risk Management Committee will advise the CEO 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;
- The adequacy of management response to issues identified by audit activity including external audit's management letter;
- Assurances relating to the corporate governance requirements for the organisation;
- The tendering and provision of audit services; and
- Anti-fraud policies, whistleblowing processes and arrangements for special investigations.

In fulfilling its duties as defined within its Terms of Reference, the Audit and Risk Management Committee will engage with Sports Council's Internal Auditor.

This service will be outsourced from 1 April 2014.

#### Remuneration Committee

The Remuneration Committee is nominated by the Chair of Sports Council and supports the Board providing assurances on issues concerning the appointment, remuneration and appraisal of the CEO.

The role and remit of the Board and each of its committees is governed by Terms of Reference which are subject to regular review.

### **3. Audit**

#### Internal Audit

The mission of the Internal Audit function is to provide independent, objective assurance and consulting services designed to add value and improve the organisation's operations. It helps the organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes.

#### External Audit

The Comptroller and Auditor General is the appointed external auditor of the financial statements of Sports Council.

### **4. Risk Management**

Like all organisations, Sports Council is exposed to a variety of risks that have the potential to adversely impact the achievement of objectives. In responding to risk, Sports Council has implemented a comprehensive framework for identifying, monitoring and reporting on risk. This is driven by its Risk Management Strategy that was reviewed and updated in 2013 to address best practice.

The Board has ultimate responsibility for ensuring the existence of effective arrangements for governance, risk management and internal control. Assisting the Board is the Audit and Risk Management Committee who will review the comprehensiveness and reliability of assurances on risk management.

A key constituent of effective risk management is the understanding and articulation by the Board of its risk appetite. During 2014, the Board will be considering the strategic priorities of the organisation and its key risk exposures defining its risk appetite across a range of business critical activities. This represents a significant shift along the risk maturity continuum and will determine how risk at an operational level will be considered and managed.

The core risks for Sports Council in 2013/14 were around the achievement of strategic objectives, governance, the successful delivery of capital projects, fraud, health and safety and information governance.

The range of risks influencing Sports Council during 2014/15 is likely to be similar in nature although the incorporation of the Sports Institute Northern Ireland into Sports Council does present a new opportunity and with it integration risk.

**5. Measuring Service Quality**

At the heart of Sports Council is the provision of a service which improves participation, sporting performance and value for money. To this end Sports Council monitors business areas and associated performance indicators ensuring that opportunities are fully exploited and strategic objectives met. This necessitates the establishment of corporate and operational Key Performance Indicators, baseline performance data, budgeting, resource allocation and the alignment of strategic objectives with relevant Sport Matters and Public Service Agreement Targets.

**6. Management Statement and Financial Memorandum**

The business operations of Sports Council are governed by a Management Statement and Financial Memorandum.

The Management Statement and Financial Memorandum defines the relationship between DCAL and Sports Council, and articulates the financial and administrative framework within which Sports Council operates. This document has been subject to recent review by DCAL.

**7. Standards of Behaviour for Members and Staff**

Code of Conduct

Board Members and officers are bound by Sports Council's Code of Conduct. Members are also required to adhere to the terms and conditions stipulated within their letters of appointment.

Anti-Fraud and Corruption

Sports Council has an approved anti-fraud and corruption policy and procedures. These cover the prevention, detection and management of fraud and / or corruption and fair dealing in matters pertaining to fraud and / or corruption.

Whistleblowing

Supplementing this is a whistleblowing policy and procedures that ensures any employee or Board Member can confidentially raise concerns about perceived malpractice within the organisation.

Gifts and Hospitality

Sports Council has also an approved gifts, benefits and hospitality policy and procedures in place which provides direction to employees and Members on the provisions and receipt of Gifts and Hospitality.

Conflicts of Interest

In seeking to manage conflict of interest, real or perceived, Sports Council has in place a conflicts of interest policy.

Data Protection

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. Directing this requirement is a data protection policy and an information security policy.

## **8. Delegated Decisions**

Sports Council's Scheme of Delegation covers financial and non-financial responsibilities and provides direction as to where decisions can be taken by Sports Council's CEO and where the Board should retain decision-making control.

## **9. Policies and Procedures**

Sports Council has a suite of policies and procedures in place which govern all operational activities within Sports Council. These are driven and informed by statutory requirements, best practice and governing protocols.

## **10. Organisational Structure**

The organisational structure, systems and skills make-up of Sports Council are designed to maximise output delivery, improve responsiveness and ensure resources are tailored and matched to meet the needs of Sports Council stakeholders.

In retaining the requisite skills mix, Sports Council has in place a comprehensive skills and training analysis framework which serves to identify skills and experience needs, fulfill these and match these with the requirements of the organisation in the delivery of its strategic priorities.

## **11. Financial resources**

The financial needs associated with the delivery of Sports Council's strategic objectives are based on detailed forecasting and investment evaluation and planning. Financial requirements are translated into detailed financial budgets and financial performance is regularly assessed and evaluated through the preparation of management accounts, which are reported to the Board bi-monthly.

## **12. Value for Money**

Sports Council 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. 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. Sports Council falls within the remit of this service level agreement and has implemented it. In addition, Sports Council applies the government policy of achieving excellence in construction.

Sports Council avoids inefficiency through applying its investment policies and adhering to government procurement and project management guidelines. In addition, the budgeting process, production of management accounts and project evaluations ensures that funds are allocated in a manner congruent with the achievement of intended objectives.

## **(D) Special Projects**

Instances may arise where Sports Council is requested by DCAL to support special projects within its allocation letter or subsequent addendums for a specified purpose.

Sports Council's Scheme of Delegation caters for such projects.

Sports Council for Northern Ireland Exchequer Account 2013-14

Below is a list of special projects including funding details with which Sports Council have engaged in consultation with DCAL. These projects directly address key Ministerial priorities while remaining congruent with the strategic objectives of Sports Council.

Beneficiary	Grant	Propose	Funding Source
Ardoyne/Belfast City Council	£0	Construction of a 3G pitch.	Exchequer
Bann Rowing Club	£49,421	Provision of essential equipment and training	Exchequer
Belfast City Council (Marrowbone)	£199,165	Redevelopment of pitch with a 3G synthetic pitches.	Exchequer
Boxing Investment Programme	£120,000	Addressing equipment and facility needs of boxing clubs in deprived communities across Northern Ireland.	Exchequer
Carriack Hill Residents Association	£30,452	Provision of essential equipment	Exchequer
Cliftonville Football Club	£12,700	Installation of temporary seating	Exchequer
Coleraine Borough Council	£244,700	Construction of 2G and 3G synthetic pitches.	Exchequer
Community Capital	£120,000	Various projects	Exchequer
Derry and District Youth – Foyle Cup	£10,000	Event costs.	Exchequer
Families at Waterworks	£27,334	Improvement to provisions for disabled members.	Exchequer
Lisburn Racquets Club	£0	Facility upgrade	Exchequer
North Down Cricket Club	£30,000	Installation of boundary Fencing	Exchequer
Northern Ireland International Youth Football – Milk Cup	£10,000	Event costs.	Exchequer
Potora Boat Club – old	£30,000	Upgrading of essential equipment	Exchequer
Rathlin Island Sports Equipment	£4,000	Upgrading of essential equipment	Exchequer
Woodvale Cricket Cub	£35,798	Improvements to health and safety provisions at the grounds.	Exchequer

\* *Note: a number of these projects have funding which straddles other financial years. The above table does not reflect funding in other years.*

**(E) Business Performance**

**Key Performance Indicators**

The governance framework outlined above has been integral to the success of Sports Council during the period 2013/14.

The Sports Council has a range of performance indicators that are resourced both by Exchequer and Lottery funding. The effectiveness of an organisation in the pursuance of its strategic objectives will be determined based on performance across all corporate indicators. This report therefore encompasses the full suite of Sports Council's performance indicators.

Of the 66 key performance indicators contained within the business plan 2013/14. The final outturn for the year identified that 59 (89%) were achieved.

In delivering on these targets, Sports Council has positively impacted on increasing participation in sport and recreation, improved access and equality, improved performance and medal achievement, enhanced facilities and associated health and safety provisions and developed stakeholder capacity. Details of the 5 key performance indicators not fully achieved during 2013/14 are detailed below.

Target	Rationale
<b>1.1.8 - Launch of the new 'Pathfinder' programme in 2013/14.</b>	Delivery against this target has been delayed due to other work priorities. This programme was launched in April 2013.
<b>3.1.2 - The development and launch of a 'high performance sports facilities capital' programme.</b>	The lack of key personnel at programme critical points has delayed delivery against this target. This programme will now be delivered during 2014/15.
<b>3.1.3 - The development and launch of a new 'club-community sports facilities' capital investment programme.</b>	The lack of key personnel at programme critical points has delayed delivery against this target. This programme will now be delivered during 2014/15.
<b>3.1.4 - The development of 11 sub-regional sport facility strategies.</b>	Linked with the new local government structure in the Northern Ireland, delivering against this target within the agreed timeframe has been adversely influenced by both the forthcoming elections and the Review of Public Administration. The development of 11 sub-regional sports facility strategies remains a priority for Sports Council and will be delivered upon during 2014/15. To date, terms of references have been development for both engagement of consultants and direction of the project delivery team. Consultation has also taken place with key stakeholder's in particular local government CEOs.
<b>4.1.4 - Completion of 10 'Safeguarding in Sport' health checks for funded clubs and /or sporting organisations.</b>	Delivery against this target has been delayed due to other work priorities. This target will be delivered on in quarter one of 2014/15.

## **Financial Performance**

Sports Council has robust financial controls and systems in place. These comprise of skilled staff, policies and procedures, governing directives, in particular 'Managing Public Money Northern Ireland', duty segregation, management oversight, reconciliations and independent audit.

An in-depth analysis of the financial performance of Sports Council during 2013/14 is provided in the financial statements detailed within this annual report.

## **London 2012 Legacy**

As the leading public body for the development of sport in Northern Ireland, Sports Council is currently delivering and planning to deliver a number of interventions designed to realise a legacy benefit from London 2012.

The contribution that Sports Council makes to the performance sport legacy post London 2012 can be broken down into three strands:

- (i) Pathways  
Working with key partners of sports to enable athletes to progress towards podium places.
- (ii) Club Development  
Working closely with governing bodies of sport to build and maintain high standards within the sports club environment, for example Clubmark NI.
- (iii) Talent Identification  
Promoting Talent ID strategies within sports also ensure that talented athletes are identified 6-8 years out from their peak performance. Sports Council is currently investing in 22 Talent posts; a 100% increase on investment in Talent prior to London 2012.

## **Evaluation**

### Arms Length Body Review

In 2012, DCAL undertook its stage 1 review of Sports Council as part of a wider evaluation of its Arm's Length Bodies. The purpose of this review was to determine the future requirement of the functions provided by Sports Council. The subsequent report was issued in 2013 and while recommendations were made around roles and responsibilities, risk management and business planning, the report concluded that the functions of Sports Council are required.

Subsequent to this review, the Audit and Risk Management Committee of Sports Council initiated a governance improvement plan. The outworking's of this initiative has included policy updates, development of Board and staff resource aids, the implementation of a revised risk management strategy and a tailored programme of training for staff and Board Members. The ARMC and Chair of Sports Council presented on their work to DCAL on 27 February 2013. The governance documents emanating from this review were ratified by the Board in April 2013.

In 2013, DCAL undertook a stage 2 review of Sports Council. This review built on the findings from the previous assessment and sought to examine how best the functions of Sports Council could be delivered. The report recommends that Sports Council should be retained to deliver Lottery functions.

#### Sports Council for Northern Ireland Exchequer Account 2013-14

This is an endorsement of the work undertaken by Sports Council and a clear indication of the congruence of the organisation's strategic aims with those of DCAL and the wider government agenda.

#### Board and Committee Appraisal

Sports Council's Board met on 5 occasions during 2013/14 to discuss and consult on key strategic matters. Maximising the role played by the Board is predicated on ensuring the availability of requisite skills and competencies and that members regularly attend meetings.

The Board of Sports Council is adequately skilled and experienced to undertake their leadership role. Attendance for the year 2013/14 is detailed below.

Name	Month of Meeting				
	Apr 13	Jun 13	Aug 13	Oct 13	Jan 14
B Henning	√	√	√	√	√
G Campbell	√	x	√	√	√
R Carr	x	x	N/A	N/A	N/A
M Cowan	√	N/A	N/A	N/A	N/A
P Cummings	√	√	√	√	√
J D'Arcy	√	√	x	x	√
B Delaney	√	√	√	x	√
B Macauley	√	√	√	√	√
R Mallon	√	√	√	√	√
S McCullough	√	√	x	√	√
D O'Connor	√	√	√	√	√
J O'Neill	√	x	√	x	√

√ - In Attendance

x – Not In Attendance

N/A – Not a Member

Supporting the opinion on Members skills and competencies is the self-evaluation which the Chair of the Board undertakes each year.

The purpose of this assessment is to benchmark performance against current best practice and to identify opportunities for improvement.

The Board assessment was undertaken by the Chair of Sports Council and concludes other than succession planning, an area over which the Chair has limited control, the Board of Sports Council meets all required standards.

An informal approach to assessing the effectiveness of board meetings was also introduced towards the end of 2012-13. In this, the Chairman invited board members to comment on the conduct of the board meeting generally, the agenda for the meeting and the quality of the information and data received at board meetings. In this respect, there has been no evidence from this informal feedback to indicate any significant issues

This conclusion is further supported by the improvements made to the framework of governance within Sports Council as part of the Governance Improvement Project undertaken in 2013.



#### Sports Council for Northern Ireland Exchequer Account 2013-14

The outworking's of this improvement initiative includes, policy updates, development of Board and staff resource aids, the implementation of a revised risk management strategy and a tailored programme of training for staff and Board Members.

This process has enabled assurances to be gained as to the effectiveness of the framework of governance within Sports Council, a framework which the CEO and Senior Management Team are actively embedding within the culture and workings of the organisation.

Any evaluation against best practice will open up areas for improvement and the self-assessment by the Chair has identified a number of areas for the Board to focus on over the next 12 months. These areas pertain to succession planning and risk appetite.

In respect of the board interests, board members complete registers of interest on appointment, and annually thereafter. In addition any updates required during the year will be registered as they arise and members report any specific matters that may arise at each board meeting. Details of the board members' interests are contained in the notes to the accounts. Where board Members have registered or declared a conflict those have usually been managed by the board Member absenting themselves from them meeting and when the item in question comes up for discussion and/or decision. In addition, where a board Member has registered an interest he/she would not normally receive any discussion or decision papers relevant to that interest

#### **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 their role in ensuring that associated risks be communicated appropriately and in a timely manner, in particular around Board vacancies.

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 exist upon departure of key personnel. This will be a continual process.

#### **Risk Appetite**

As part of the governance improvement plan a revised approach to risk management was developed and which encompasses clear articulation by the Board of Sports Council's risk appetite. During 2014, the Board will consider the strategic priorities of the organisation and its key risk exposures and define its risk appetite across a range of business critical activities. This will be complemented by organisational risk registers that will feed into and inform the corporate risk register.

#### **Audit and Risk Management Committee Annual Assessment**

The purpose of the review was to assess the effectiveness of Sports Council's Audit and Risk Management Committee using the National Audit Office assessment checklist.

The review concludes that the Audit and Risk Management Committee of Sports Council complies with best practice. This conclusion is supported by the findings from external quality assessment against the Government Internal Audit Standards undertaken in 2011 and the improvements made to the framework of governance within Sports Council undertaken as part of the Governance Improvement Project undertaken in 2013.

The review did highlight the opportunity to better formalise appointments to the Audit and Risk Management Committee which the Board will be reviewing and addressing in 2013/14.

#### Sports Council for Northern Ireland Exchequer Account 2013-14

During the year, the following members were in attendance:

Name	Month of Meeting				
	May 13	Jun 13	Jul 13	Oct 13	Jan 14
G Campbell	N/A	√	√	√	√
P Cummings	√	√	√	x	x
J D'Arcy	√	√	√	√	√
R Mallon	√	√	√	√	√

√ - In Attendance

x – Not In Attendance

N/A – Not a Member

#### **Remuneration Committee - Annual Assessment**

The first meeting of Sports Council's Remuneration Committee took place in August 2013. At this meeting both the Terms of Reference and Committee valuation framework were agreed.

The evaluation by the Remuneration Committee of its performance during 2013/14 has highlighted no weaknesses or areas where improvements are required. All members were in attendance at this meeting.

#### **(F) Assurance Information**

Although I have only been in post since 2 September 2014, the governance system described in this statement has been in place for the whole of the financial year ended 31 March 2014 and accords with DFP guidance. No significant issues with the governance system have arisen during the period covered by this statement.

The Board and the Audit and Risk and Management Committee met on 5 occasions during 2013/14.

The Board is satisfied with the quality, timing and availability of information with which it is furnished. Managers may attend Board meetings upon request, this provides an additional tier of assurance enabling Members to question further and test the quality, depth and accuracy of information presented to it. The work of the Audit and Risk Management Committee also aid assurances available to the Board in term of information with which it is presented. This Committee reviews many of the core assurance and governance documentation in advance of Board and are able to attest information via challenge and the work of internal and external audit.

At each meeting, Sports Council's risk register was reviewed. Other key assurance documentation reviewed by the Board include the annual governance statement, quarterly assurance statements, Board and Committee evaluation reports, NIAO reports to those charged with governance, business plan update reports and the internal audit annual report and opinion.

In April 2013, the Board formally approved the suite of governance documentation and supporting aides developed as part of the Governance Improvement Plan.

#### **Audit Assurance**

##### Internal Audit

Based on the work completed by Sports Council's Internal Auditor between 1 April 2013 and 31 March 2014 a satisfactory assurance has been provided. This assurance recognises that general

#### Sports Council for Northern Ireland Exchequer Account 2013-14

controls are in place and are generally being adhered to.

During the year the Internal Auditor issued one limited internal audit reports. This pertained to the review of Income Management at Tollymore National Outdoor Centre.

Cognisant of the part played by each of these systems within the overall framework of internal control and mindful of the timely remedial action taken by management, Internal Audit does not consider the weaknesses identified to be indicative of the wider system of internal control or sufficient enough to render the overall system of internal control as limited.

#### External Audit

Sports Council received an unqualified opinion from the Comptroller and Auditor General in respect of its 2012/13 Financial Statements. In addition to the opinion on the financial statements, a 'Report to Those Charged with Governance – Sports Council Exchequer' was issued in July 2013. This report focused on the governance and control framework within Sports Council. Within this report there was a total of 6 recommendations of which 2 are considered priority 1 areas. The priority 1 areas identified relate to pension and working allowances paid by Sports Council.

Given the contractual nature of these payments, Sports Council has sought professional guidance. The issues have yet to be fully resolved and Sports Council will continue to act on the legal advice provided by its solicitors.

#### **(G) Risk Management**

##### **Risks Materialised**

No significant risk(s) materialised during the period April 2013 – March 2014 which had or could be perceived to have had an adverse impact on the achievement of objectives.

The risk register remained largely unaltered through the year with the exception of the risk associated with underspend on capital projects which was removed at the end of quarter 2 and the risk associated with the approval of the business case altering funding to Sports Institute which was added in quarter 2.

With regards to the former, management having revisited the risk considered it immaterial in terms of likelihood and therefore de-escalated the risk. The latter risk refers to the approval of the business case prepared by Sports Council which seeks to transfer the funding of the Sports Institute from the Lottery to Exchequer.

During 2013/14 there were a number of Board vacancies and this had the potential to influence the successful performance of the Board. DCAL did address the matter through filling the vacant posts. Due to the short duration of the vacancies there was no impact on the business of the Board.

A number of reviews commenced during this reporting period which may impact the focus of future business operations.

##### **Value for Money Review – Sports Council**

As a result of a number of 'emerging issues' arising from the stage 1 ALB review, a value for money review was undertaken of Sports Council.

The nature and scope of the value for money review necessitated the use of consultants. Sports Council prepared a business case and terms of reference for this review which was approved by

DCAL. McClure Watters was appointed and formally commenced their work on 4 June 2013.

The core emphasis of this review is to assess the efficiency of Sports Council compared to its peer organisations. In addition, the review will also consider the organisational performance across Corporate Services, Participation and Performance in terms of economy, efficiency and effectiveness in order to draw conclusions on overall value for money. It is envisaged that the final report will be available in April 2014.

#### **Subvention Review – Tollymore National Outdoor Centre**

A redeveloped Tollymore National Outdoor Centre opened in April 2010. In October 2011, DCAL carried out an interim Post Project Evaluation (PPE) of the new Centre. The PPE noted that the proposed annual revenue cash-flows of the new Centre were substantially different to those projected within the investment appraisal and that the anticipated reduced annual subvention of the Centre by Sports Council/ DCAL has not been realised at this time.

In addition, the level of multi activity courses run by the Centre has faced challenge by local private sector providers due to perceived impacts.

Subsequent to this PPE and stakeholder concerns, Sports Council commissioned an independent assessment of future funding to the Tollymore National Outdoor Centre. The draft report was issued in November 2013 and included a number of recommendations which management are addressing, in particular that that Tollymore National Outdoor Centre continue to provide skills and leadership courses but that it reduce their multi-activity courses. The draft has been shared with the Department who have provided their comments for consideration by Sports Council before finalisation.

#### **Northern Ireland Audit Office Review of the St Colman's College Project**

In March 2012 a journalist contacted Sports Council raising concerns about the assumptions within the Business Case for the St Colman's College Project. The matter was reviewed internally by Sports Council and also the NIAO.

Subsequent to the review by the NIAO, a number of weaknesses were highlighted. The report will be a standalone report and may potentially be subject to scrutiny by the Public Accounts Committee. The areas highlighted by the NIAO pertain primarily to project management practices which Sports Council has already addressed.

Sports Council has enhanced its framework of control governing project management. These enhancements include completion of all project business cases in-house, reassessment of investment proposals where significant changes occur during the project life cycle, clearer articulation of roles and responsibilities in multi-funded projects and improved whole of life project risk assessment. Sports Council has also revisited its approach under both its whistleblowing and anti-fraud procedures to ensure that actual practices comply with those prescribed.

#### **(H) Investigations**

During the course of 2012/13 a number of investigations were undertaken by Sports Council into cases of potential fraud and irregularity. There were no cases of confirmed fraud. During 2013/14 there were no investigations undertaken.

## **(I) Emerging Issues**

### **Public Finances**

One of the key issues affecting not only Sports Council, but the whole of the public sector will be available funding.

Sports Council has been mindful of this challenge for some time and continues to be innovative in how it conducts its business to ensure that the deliverability of its objectives in the future.

### **Savings Delivery**

In 2011, Sports Council developed a Savings Delivery Plan. The objectives of this plan were to reduce funding requirements through staff savings, reduced reliance on consultants and increased skills transferability across the organisation.

Sports Council continues to meet its savings commitments which for 2013/14 were £1,386,000.

### **Zero Based Budgeting**

Sports Council undertook a zero based budgeting exercise in 2013. The purpose of this exercise was to encourage managers to examine and justify expenditure, assess alternatives and reduce the risk of waste and budgetary slack.

This exercise contributed to Sports Council's commitment to maximise value added services and ensure that the requisite resources are allocated to meeting its core principles of addressing inequality, poverty and social exclusion through sport and physical recreation.

### **Addressing Bureaucracy**

Ensuring that public money is spent properly is vital; however this is not the primary aim of Sports Council. Our primary aim is to deliver outcomes for our stakeholders.

Mindful of developments within the public sector, most notably the new Charity Commission for Northern Ireland and the reform of local government there is a case for streamlining aspects of the administration processes associated with funding procedures.

The Northern Ireland Executive in its report *'Addressing Bureaucracy, a report tackling bureaucracy funding to the Voluntary and Community Sector'* acknowledges that administration carries a cost and has the potential to adversely influence outcomes.

Our grant recipients and partners have a right to expect that Sports Council will work in co-operation with them to ensure that administration burdens are minimised as far as is reasonably practicable.

To this end Sports Council will be actively engaging with its key stakeholders during 2014/15 to determine appropriate methods of working that will be conducive with the effective achievement of outcomes whilst fulfilling the requirements of Managing Public Money Northern Ireland.

### **Sports Council Joint Venture**

Sports Council for Northern Ireland holds a long term interest in the Sport's Institute Northern Ireland which it controls jointly with University of Ulster under a contractual agreement. The Sports Institute Northern Ireland is a registered company limited by guarantee.

Sports Council for Northern Ireland Exchequer Account 2013-14

Subsequent to a recent review, it has been agreed that Sports Council will assume full control over the Sports Institute Northern Ireland during 2014. This will provide for enhanced flexibility and control over the contribution made by the Institute to the wider Government objectives in relation sporting performance.

Maximising these opportunities will incur some challenges in the short term to fully merge the structures, systems, staff and accounting framework of the Sports Institute with that of Sports Council.

**(J) The Year Ahead**

I propose over the coming year to take steps to address the above matters to further enhance governance arrangements, continually improve how we manage risk and build on our achievements to date. I am satisfied that these steps will address the need for improvements that were identified in our review of effectiveness and will monitor their implementation and operation as part of our next annual review.



**Antoinette McKeown**  
**Chief Executive and Accounting Officer**  
**Sports Council for Northern Ireland**

**Date: 25 June 2014**

## **Sports Council for Northern Ireland**

### **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 2014 under the Recreation and Youth Service (Northern Ireland) Order 1986. These comprise the Statements of Comprehensive Net Expenditure, Financial Position, Cash Flows, Changes in Taxpayers' Equity and the related notes. These financial statements have been prepared under the accounting policies set out within them. I have also audited the information in the Remuneration Report that is described in that report as having been audited.

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

As explained more fully in the Statement of the Council's and Accounting Officer's Responsibilities, the Accounting Officer is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. My responsibility is to audit, 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 Auditing Practices Board's Ethical Standards for Auditors.

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

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Sport 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 and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by me in the course of performing the audit. If I become aware of any apparent material misstatements or inconsistencies I consider the implications for my certificate.

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 Sport Council for Northern Ireland's affairs as at 31 March 2014 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, the Chief Executive's Statement, the Directors' Report and the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

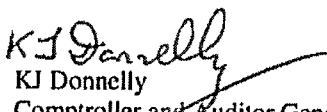
### **Matters on which I report by exception**

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

30 June 2014



**Statement of Comprehensive Net Expenditure**  
**For the year ended 31 March 2014**

	Notes	2014 SCNI	2014 SINI	2014 GROUP	2013 SCNI Restated	2013 GROUP Restated
		£	£	£	£	£
<b>Expenditure</b>						
Staff Costs	3	(4,686,539)	(750,172)	(5,436,711)	(4,255,586)	(4,988,231)
Depreciation and Amortisation	11&12	(465,457)	(95,949)	(561,406)	(479,197)	(555,374)
Grants	5	(9,169,638)	-	(9,169,638)	(12,805,404)	(12,805,404)
Other Operating Costs	5	(2,439,136)	(321,457)	(2,760,593)	(2,570,371)	(2,861,268)
Notional Costs	6	(25,000)	-	(25,000)	(25,000)	(25,000)
<b>Total Expenditure</b>		<b>(16,785,770)</b>	<b>(1,167,578)</b>	<b>(17,953,348)</b>	<b>(20,135,558)</b>	<b>(21,235,277)</b>
<b>Income</b>						
Grant from Other Activities	7	13,560	1,155,248	1,168,808	36,659	1,140,521
Other Income	8	1,227,931	-	1,227,931	1,217,273	1,220,273
<b>Total Income</b>		<b>1,241,491</b>	<b>1,155,248</b>	<b>2,396,739</b>	<b>1,253,932</b>	<b>2,360,794</b>
<b>Net Expenditure</b>		<b>(15,544,279)</b>	<b>(12,330)</b>	<b>(15,556,609)</b>	<b>(18,881,626)</b>	<b>(18,874,483)</b>
Interest Receivable	9	397	2,500	2,897	-	-
<b>Net Expenditure After Interest</b>		<b>(15,543,882)</b>	<b>(9,830)</b>	<b>(15,553,712)</b>	<b>(18,881,626)</b>	<b>(18,874,483)</b>
Corporation Tax	10	(79)	-	(79)	-	-
<b>Net Expenditure After Tax</b>		<b>(15,543,961)</b>	<b>(9,830)</b>	<b>(15,553,791)</b>	<b>(18,881,626)</b>	<b>(18,874,483)</b>
Notional Costs	6	25,000	-	25,000	25,000	25,000
<b>Net Expenditure After Excluding Notional Costs</b>		<b>(15,518,961)</b>	<b>(9,830)</b>	<b>(15,528,791)</b>	<b>(18,856,626)</b>	<b>(18,849,483)</b>
<b>Other Comprehensive Net Expenditure</b>						
Items that will not be reclassified to net operating costs:						
Net Gain/(Loss) on Revaluation of Property, Plant and Equipment		386,032	-	386,032	(144,618)	(144,618)
Net (Loss)/Gain on Revaluation of Intangibles		(13,596)	-	(13,596)	24,684	24,684
Actuarial Gain/(Loss)	4	143,000	(85,000)	58,000	(681,000)	(721,000)
<b>Total Comprehensive Net Expenditure for the year ended 31 March 2014</b>		<b>(15,003,525)</b>	<b>(94,830)</b>	<b>(15,098,355)</b>	<b>(19,657,560)</b>	<b>(19,690,417)</b>

*All amounts above relate to continuing activities.*

The notes on pages 43 to 68 form part of these accounts.

# Statement of Financial Position as at 31 March 2014

	Notes	2014 SCNI £	2014 SINI £	2014 GROUP £	2013 SCNI £	2013 GROUP £
<b>Non-Current Assets</b>						
Property, plant and equipment	11	5,566,141	220,818	5,786,959	5,608,481	5,796,190
Intangible assets	12	141,905	7,263	149,168	185,109	225,254
<b>Total non-current assets</b>		<b>5,708,046</b>	<b>228,081</b>	<b>5,936,127</b>	<b>5,793,590</b>	<b>6,021,444</b>
<b>Current Assets</b>						
Inventories	13	26	-	26	24	24
Trade and other receivables	14	400,958	22,607	423,565	395,997	403,183
Cash and cash equivalents	15	426,869	75	426,944	985,821	1,057,245
<b>Total current assets</b>		<b>827,853</b>	<b>22,682</b>	<b>850,535</b>	<b>1,381,842</b>	<b>1,460,452</b>
<b>Total assets</b>		<b>6,535,899</b>	<b>250,763</b>	<b>6,786,662</b>	<b>7,175,432</b>	<b>7,481,896</b>
<b>Current Liabilities</b>						
Trade and other payables	16	(627,352)	(233,552)	(860,904)	(504,534)	(810,998)
Bank Overdraft	15	-	(17,211)	(17,211)	-	-
Grant Commitments	16	(3,139,007)	-	(3,139,007)	(2,356,822)	(2,356,822)
<b>Total Current Liabilities</b>		<b>(3,766,359)</b>	<b>(250,763)</b>	<b>(4,017,122)</b>	<b>(2,861,356)</b>	<b>(3,167,820)</b>
<b>Net Current Liabilities</b>		<b>(2,938,506)</b>	<b>(228,081)</b>	<b>(3,166,587)</b>	<b>(1,479,514)</b>	<b>(1,707,368)</b>
<b>Non-current assets less net current liabilities</b>		<b>2,769,540</b>	<b>-</b>	<b>2,769,540</b>	<b>4,314,076</b>	<b>4,314,076</b>
<b>Non-current Liabilities</b>						
Provision	17a	(47,120)	-	(47,120)	(47,120)	(47,120)
Pension Liability	17b	(3,588,000)	(93,500)	(3,681,500)	(3,473,000)	(3,473,000)
<b>Assets Less Liabilities</b>		<b>(865,580)</b>	<b>(93,500)</b>	<b>(959,080)</b>	<b>793,956</b>	<b>793,956</b>

**Statement of Financial Position (continued)  
as at 31 March 2014**

	Notes	2014 SCNI	2014 SINI	2014 GROUP	2013 SCNI	2013 GROUP
		£	£	£	£	£
<b>Taxpayers' equity</b>						
General Reserve	18	2,118,562	(5,687)	2,112,875	3,959,324	3,954,967
Pension Reserve	18	(3,588,000)	(93,500)	(3,681,500)	(3,473,000)	(3,473,000)
Revaluation Reserve	18	603,858	5,687	609,545	307,632	311,989
<b>Total Reserves</b>		<b>(865,580)</b>	<b>(93,500)</b>	<b>(959,080)</b>	<b>793,956</b>	<b>793,956</b>

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



**Antoinette McKeown**  
**Chief Executive and Accounting Officer**  
**Sports Council for Northern Ireland**

**Date: 25 June 2014**

The notes on pages 43 to 68 form part of these accounts.

Sports Council for Northern Ireland Exchequer Account 2013-14

**Statement of Cash Flows  
For the Year Ended 31 March 2014**

For the Year Ended 31 March 2014	Note	2014 SCNI £	2014 SINI £	2014 GROUP £	2013 SCNI £	2013 GROUP £
<b>Cash Flow From Operating Activities</b>		<b>(15,544,279)</b>	<b>(9,830)</b>	<b>(15,554,109)</b>	<b>(18,771,626)</b>	<b>(18,756,483)</b>
Depreciation and Amortisation	11&12	465,457	95,949	561,406	479,197	555,374
Permanent Diminution	5	20,985	-	20,985	(16,779)	(16,779)
Loss on Disposal of Assets	5	-	221	221	5,808	7,202
Notional Cost - Audit Fee	6	25,000	-	25,000	25,000	25,000
(Increase)/Decrease in Inventories		(2)	-	(2)	82	82
(Increase)/Decrease in Trade and Other Receivables		(4,961)	(15,421)	(20,382)	(12,611)	(13,174)
Increase/(Decrease) in Trade and Other Payables		905,003	(72,912)	832,091	(2,848,733)	(2,784,900)
Increase in Provisions		-	-	-	47,120	47,120
Increase/(Decrease) in Pension Fund Payable Less Actuarial Losses	4	258,000	8,500	266,500	13,000	(6,500)
<b>Net Cash Outflow From Operating Activities</b>		<b>(13,874,797)</b>	<b>6,507</b>	<b>(13,868,290)</b>	<b>(21,079,542)</b>	<b>(20,943,058)</b>
<b>Cash Flows From Investing Activities</b>						
Interest Received	9	397	-	397	-	-
Tax Paid	10	(79)	-	(79)	-	-
Purchase of property, plant and equipment	11	(5,306)	(89,982)	(95,288)	(98,394)	(180,685)
Purchase of intangible assets	12	(23,157)	(5,085)	(28,242)	(20,827)	(44,037)
<b>Net Cash Outflow From Investing Activities</b>		<b>(28,145)</b>	<b>(95,067)</b>	<b>(123,212)</b>	<b>(119,221)</b>	<b>(224,722)</b>
<b>Cash Flows From Financing Activities</b>						
Grants from DCAL	18	13,343,990	-	13,343,990	21,952,243	21,952,243
<b>Net Financing</b>		<b>13,343,990</b>	<b>-</b>	<b>13,343,990</b>	<b>21,952,243</b>	<b>21,952,243</b>
<b>Net Increase/(Decrease) in Cash and Cash Equivalents in the Year</b>		<b>(558,952)</b>	<b>(88,560)</b>	<b>(647,512)</b>	<b>753,480</b>	<b>784,463</b>
<b>Cash and Cash Equivalents at the Beginning 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>
<b>Cash and Cash Equivalents at the End of the Year</b>		<b>426,869</b>	<b>(17,136)</b>	<b>409,733</b>	<b>985,821</b>	<b>1,057,245</b>

The notes on pages 43 to 68 form part of these accounts.

# Statement of Changes in Taxpayers' Equity for the year ended 31 March 2014

	General Reserve £	Pension Reserve £	Revaluation Reserve £	Total Reserves £	Group Reserves £
<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 in Aid 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>
<b>Changes in Equity for 2013-14</b>					
Net Gain on Revaluation of Non-Current Assets	-	-	372,436	372,436	372,436
Transfer Between Reserves	76,209	-	(76,209)	-	1,330
Actuarial Gain	-	143,000	-	143,000	58,000
Retained Deficit	(15,260,961)	(258,000)	-	(15,518,961)	(15,528,792)
Grant in Aid from DCAL	13,343,990	-	-	13,343,990	13,343,990
<b>Balance at 31 March 2014</b>	<b>2,118,562</b>	<b>(3,588,000)</b>	<b>603,859</b>	<b>(865,579)</b>	<b>(959,080)</b>

The notes on pages 43 to 68 form part of these accounts.

## **Notes to the Accounts**

### **For the year ended 31 March 2014**

#### **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 2013-2014 Government Financial Reporting Manual (FReM) issued by DFP. 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.

Going Concern – The Sports Institute Northern Ireland is currently undergoing a restructuring exercise and the company is expected to be dissolved within the next twelve months. The activities of the Sports Institute Northern Ireland will be transferred to Sport Council Northern Ireland.

##### *1.3 Standards, Amendments and Interpretations that are not yet effective and have not been adopted early, but are applicable to Sports Council for Northern Ireland*

The IASB have issued new and amended standards (IFRS 10, IFRS 11 & IFRS 12) that affect the consolidation and reporting of subsidiaries, associates and joint ventures. These standards have an effective date of January 2014.

IFRS 13 has an effective date of January 2013. The application of this IFRS is subject to further review by HM Treasury and the other Relevant Authorities following the consultation which took place in 2013.

Accounting boundary IFRS are currently adapted in the FReM so that the Westminster departmental accounting boundary is based on ONS control criteria, as designated by Treasury. A review of the NI financial process is currently under discussion with the Executive, which will bring NI departments under the same adaptation. Should this go ahead, the impact on departments is expected to focus around the disclosure requirements under IFRS 12. The impact on the consolidation boundary of NDPB's and trading funds will be subject to review, in particular, where control could be determined to exist due to exposure to variable returns (IFRS 10), and where joint arrangements need reassessing.

#### *1.4 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.

#### *1.5 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.

#### *1.6 Research and Development*

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

#### *1.7 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.

#### *1.8 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

#### *1.9 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.

#### *1.10 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.

#### *1.11 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 19 to the accounts.

#### *1.12 Notional Costs*

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

#### *1.13 Pension Costs/Employee Benefits*

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 2013.

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 2014.

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.

In accordance with IAS 19, Sports Council for Northern Ireland accrues for untaken employee leave and flexi.

#### *1.14 Value Added Tax*

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

#### *1.15 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.



### *1.16 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.

### *1.17 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.

### *1.18 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.

### *1.19 Prior Period Adjustment*

A revision to IAS 19 came into effect during the year. As a result of the change, certain categories of expenditure have been reclassified in the prior year for comparative purposes. The effect of the reclassification on the prior year figures has been to increase staff costs by £113,000, reduce interest receivable by £5,000 and to decrease the actuarial loss by £118,000. The overall results for the prior year have not been affected.

## **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:

	2014 SCNI £	2014 SCNI £	2014 SCNI £	2014 GROUP £	2013 SCNI £	2013 GROUP £
	Permanent	Others	Total	Total	Total Restated	Total Restated
Wages and Salaries	3,367,746	-	3,367,746	3,955,711	3,114,665	3,714,311
Social Security Costs	221,033	-	221,033	263,740	236,272	277,771
Other Pension Costs	637,371	-	637,371	756,871	576,066	664,566
Agency Costs	-	202,389	202,389	202,389	205,583	205,583
Other Pension Costs	258,000	-	258,000	258,000	123,000	126,000
Total Staff Costs	4,484,150	202,389	4,686,539	5,436,711	4,255,586	4,988,231
Staff costs recharged to third parties	(534,244)	-	(534,244)	(534,244)	(430,258)	(430,258)
Total Staff Costs less Recharges	3,949,906	202,389	4,152,295	4,902,467	3,825,328	4,557,973

#### Average number of persons employed

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

	2014 SCNI Permanent Staff	2014 SCNI Others	2014 SCNI Total	2014 GROUP Total	2013 SCNI Total	2013 GROUP Total
Directly Employed	103	-	103	136	101	134
Other	-	6	6	6	6	6
Total	103	6	109	142	107	140

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

Under terms and conditions of service, staff are entitled to an issue of luncheon vouchers to the approximate value of 70p per day. The entitlement for full time staff is 55 vouchers per quarter issued quarterly in advance. Part time staff are entitled to luncheon vouchers on a pro rata basis to the full time equivalent. Luncheon vouchers are accounted for through the Exchequer Accounts and no costs recharged to Lottery.

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 2013/14 the contribution rates were 20% employers and ranging between 5.5% and 7.5% employees (2012/13: 19% employers and ranging between 5.5% and 7.5% employees).

The latest actuarial valuation of Sports Council took place as at 31 March 2013. Liabilities have been estimated by the independent qualified actuary on an actuarial basis using the projected unit credit method. The principal assumptions used by the actuary in updating the latest valuation of the Fund for IAS19 purposes were:

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

	2014	2013	2012
	%	%	%
Discount rate	4.3	4.5	4.8
RPI Inflation	3.4	3.7	3.3
CPI Inflation	2.4	2.8	2.5
Rate of increase to pensions in payment	2.4	2.8	2.5
Rate of increase to deferred pensions	2.4	2.8	2.5
Rate of increase in salaries	3.9	5.2	4.8

##### Mortality Assumptions

The mortality assumptions are based on the recent actual mortality experience of members within the Fund and allow for expected future mortality improvements.

Post retirement mortality (retirement in normal health)	31 March 2014	31 March 2013
<b>Males</b>		
Year of Birth base table	Standard SAPS Normal Health All Amounts (S1NMA)	Standard SAPS Normal Health All Amounts (S1NMA)
Rating to above base table (years)	0	0
Scaling to above base table rates	110%	Based on membership data
Improvements to base table rates	CMI 2012 with a long term rate of improvement of 1.5% p.a.	Medium Cohort improvement factors from 2007, with a minimum rate of improvement of 1.0% p.a.
Future lifetime from age 65 (aged 65 at accounting date)	22.1	23.2
Future lifetime from age 65 (aged 45 at accounting date)	24.3	25.2
<b>Females</b>		
Year of Birth base table	Standard SAPS Normal Health All Amounts (S1NFA)	Standard SAPS Normal Health All Amounts (S1NFA)
Rating to above base table (years)	0	0
Scaling to above base table rates	110%	Based on membership data
Improvements to base table rates	CMI 2012 with a long term rate of improvement of 1.5%p.a.	Medium Cohort improvement factors from 2007, with a minimum rate of improvement of 1.0% p.a.
Future lifetime from age 65 (aged 65 at accounting date)	24.6	26.1
Future lifetime from age 65 (aged 45 at accounting date)	26.9	28.1

### Commutation

Each member was assumed to surrender pension on retirement, such that the total cash received (including any accrued lump sum from pre 2009 service) is 75% of the permitted maximum

Each member is assumed to exchange 50% of the maximum amount permitted of their pre 1 April 2009 pension entitlements. Each member is assumed to exchange 75% of the maximum amount permitted of their post 31 March 2009 pension entitlements

### Asset Allocation

The approximate split of assets for the Fund as a whole (based on data supplied by the Fund Administering Authority) is shown in the table below. The assets allocated to the Employer in the Fund are notional and the assets are assumed to be invested in line with the investments of the fund set out below for the purposes of calculating the return to be applied to those notional assets. The Fund is large and largely liquid and as a consequence there will be no significant restriction on realising assets if the situation arises.

The Administering Authority does not invest in property or assets related to itself. It is possible, however, that assets may be invested in shares relating to some of the private sector employers participating in the Fund if it forms part of their balanced investment strategy.

	Asset split at 31 March 2014 (%)			Asset split at 31 March 2013 (%)
	Quoted	Unquoted	Total	Total
Equities	74.20	-	74.20	75.60
Property	-	11.20	11.20	7.70
Government	5.90	-	5.90	10.90
Corporate Bonds	6.10	-	6.10	0.50
Cash	2.60	-	2.60	4.70
Other	-	-	-	0.60
<b>Total</b>	<b>88.80</b>	<b>11.20</b>	<b>100.00</b>	<b>100.00</b>

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

Amount Shown in Statement of Financial Position	31 March 2014 £(000)		31 March 2013 £(000)		31 March 2012 £(000)	
	SCNI Assets	Group Assets	SCNI Assets	Group Assets	SCNI Assets	Group Assets
Fair Value of Assets	15,173	16,258	14,595	15,471	11,949	12,572
Present Value of Defined Benefit Obligation	18,761	19,940	18,068	18,944	(14,618)	(15,212)
Funded Status (Deficit)	(3,588)	(3,682)	(3,473)	(3,473)	(2,669)	(2,641)
Impact of Minimum Funding Requirement/Asset Ceiling	-	-	-	-	-	-
Asset/(Liability) recognised on the Statement of Financial Position	(3,588)	(3,682)	(3,473)	(3,473)	(2,669)	(2,641)

Sports Council for Northern Ireland Exchequer Account 2013-14

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

	SCNI	SINI
Active Members	52%	89%
Deferred Pensioners	16%	11%
Pensioners	32%	-

The amounts recognised in the Statement of Comprehensive Net Expenditure are as follows:

Amount Charged to Net Expenditure Account	31-Mar-14 £000s		31-Mar-13 £000s	
	SCNI	GROUP	SCNI	GROUP
			Restated	Restated
<b>Operating Costs</b>				
Current Service Cost	767	887	620	712
Past Service Cost	-	-	-	-
<b>Financing Cost</b>				
Interest on net defined benefit liability/(asset)	142	142	109	109
<b>Total Operating Charge</b>	<b>909</b>	<b>1029</b>	<b>729</b>	<b>821</b>
<b>Amounts Included in Interest Receivable</b>				
Expected return on scheme assets	-	(43)	-	(33)
Interest on scheme liabilities	-	(40)	-	(30)
<b>Net Interest Income</b>	<b>-</b>	<b>(3)</b>	<b>-</b>	<b>(3)</b>

<b>Remeasurements in Comprehensive Expenditure</b>				
Return on plan assets (in excess of)/Below that recognised in net interest	604	580	(1,531)	(1,617)
Actuarial (gains)/losses due to change in financial assumptions	(588)	(627)	2,227	2,353
Actuarial (gains)/losses due to change in demographic assumptions	(564)	(590)	-	-
Actuarial (gains)/losses due to liability experience	405	578	(15)	(15)
<b>Total Amount Recognised in Other Comprehensive Expenditure (Gain)/Loss</b>	<b>(143)</b>	<b>(58)</b>	<b>681</b>	<b>721</b>

The amounts recognised in the Statement of Financial Position are as follows:

Amount Charged to Statement of Financial Position	31-Mar-14 £000s		31-Mar-13 £000s	
	SCNI	GROUP	SCNI	GROUP
			Restated	Restated
Opening defined benefit obligation	18,068	18,944	14,618	15,212
Current service cost	767	887	620	712
Interest expense on scheme liabilities	810	850	695	725
Actuarial (gain)/loss	(747)	(638)	2,212	2,338
Contributions by scheme participants	220	257	220	255
Benefits paid	(357)	(360)	(297)	(298)
Closing defined benefit obligation	18,761	19,940	18,068	18,944
Opening fair value of assets	14,595	15,471	11,949	12,572
Expected return on scheme assets	668	711	586	619
Contributions by employer	651	760	606	706
Contributions by scheme participants	220	257	220	255
Actuarial gain/(loss)	(604)	(580)	1,531	1,617
Benefits paid	(357)	(360)	(297)	(298)
Closing fair value of assets	15,173	16,258	14,595	15,471
Net Pension Liability	(3,588)	(3,682)	(3,473)	(3,473)

Contributions to the defined benefit pension scheme for the year ended 31 March 2015 are expected to be £676k (Group £788k).

## 5. Other Expenditure

	2014 SCNI £	2014 GROUP £	2013 SCNI £	2013 GROUP £
Committees, Receptions & Publicity	783,782	802,340	558,333	581,798
Rent & Rates	165,161	326,905	158,865	308,950
Repairs & Renewals	276,121	291,681	340,848	351,387
Professional Fees/Consultancy Fees	229,399	260,381	147,234	167,712
Sports Development	205,045	205,045	189,456	189,456
Travel & Subsistence	154,409	172,956	137,965	154,223
Training	93,433	127,165	46,913	69,954
Publications, Printing & Stationery and IT Consumables	107,398	109,900	68,023	70,061
Heat & Light	106,378	106,378	98,269	98,269
Telephones & Postage	70,234	79,924	82,221	93,329
Information Services, Journals & Subscriptions	75,534	75,534	97,713	97,713
Insurance	44,833	66,750	42,069	62,913
Caretaking & Cleaning	59,990	63,039	63,281	66,400
Promotions & Sponsorships	22,000	22,000	484,983	484,983
Permanent Diminution	20,986	20,986	(16,779)	(16,779)
Recruitment	15,270	16,266	8,227	9,164
Auditors Remuneration	-	3,750	-	7,250
Sundry Expenses	3,447	3,447	2,630	2,630
Fees and Bank Charges	2,841	3,050	2,695	3,036
Coaches	2,875	2,875	4,497	4,497
Loss on Disposal	-	221	5,808	7,202
Increase in Provision	-	-	47,120	47,120
<b>Total Other Operating Costs</b>	<b>2,439,136</b>	<b>2,760,593</b>	<b>2,570,371</b>	<b>2,861,268</b>
<b>Total Grants</b>	<b>9,169,638</b>	<b>9,169,638</b>	<b>12,805,404</b>	<b>12,805,404</b>
<b>Total Costs</b>	<b>11,608,774</b>	<b>11,930,231</b>	<b>15,375,775</b>	<b>15,666,672</b>

## 6. Notional Costs

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

	2014 SCNI £	2014 GROUP £	2013 SCNI £	2013 GROUP £
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**

	2014 SCNI	2014 GROUP	2013 SCNI	2013 GROUP
	£	£	£	£
Grant – Other Sources	13,560	1,168,808	36,659	1,140,521
Total Other Grants	13,560	1,168,808	36,659	1,140,521

**8. Other Income**

	2014 SCNI	2014 GROUP	2013 SCNI	2013 GROUP
	£	£	£	£
				Restated
Sports Development	62,466	62,466	114,772	114,772
Tollymore Mountain Centre	328,964	328,964	354,660	354,660
Services to Partners	136,801	136,801	171,075	171,075
Service to Lottery Activities	699,700	699,700	576,766	576,766
Finance Income Defined Benefit Pension Scheme	-	-	-	3,000
Total Other Income	1,227,931	1,227,931	1,217,273	1,220,273

**9. Interest Receivable**

	2014 SCNI	2014 GROUP	2013 SCNI	2013 GROUP
	£	£	£	£
Interest Received	397	2,897	-	-

**10. Corporation Tax**

	2014 SCNI	2014 GROUP	2013 SCNI	2013 GROUP
	£	£	£	£
Corporation Tax Current Year	79	79	-	-



11. Property, Plant and Equipment							
	Buildings	Specialist Sports Equipment	Furniture and Fittings	Motor Vehicle	Computer Equipment	Total SCNI	Total GROUP
	£	£	£	£	£	£	£
<b>Cost or Valuation</b>							
At 1 April 2013	5,604,594	200,364	166,579	91,829	1,078,324	7,141,690	7,574,495
Additions	-	-	-	-	5,306	5,306	95,288
Revaluation	486,243	(22,958)	(14,879)	(9,698)	(84,916)	353,792	355,586
Disposals	-	-	-	-	-	-	(2,349)
At 31 March 2014	6,090,837	177,406	151,700	82,131	998,714	7,500,788	8,023,020
<b>Depreciation</b>							
At 1 April 2013	679,659	102,151	73,182	69,106	609,111	1,533,209	1,778,305
Charge for the Year	251,393	18,296	9,567	900	134,570	414,726	472,707
Revaluation	58,966	(11,547)	(7,766)	(9,311)	(43,630)	(13,288)	(12,823)
Disposals	-	-	-	-	-	-	(2,128)
At 31 March 2014	990,018	108,900	74,983	60,695	700,051	1,934,647	2,236,061
<b>Carrying Amount at</b>							
At 31 March 2014	5,100,819	68,506	76,717	21,436	298,663	5,566,141	5,786,959
At 31 March 2013	4,924,935	98,213	93,397	22,723	469,213	5,608,481	5,796,190
<b>Asset Financing:</b>							
Short Leasehold	5,100,819	-	-	-	-	5,100,819	5,100,819
Owned	-	68,506	76,717	21,436	298,663	465,322	686,140
Carrying Amount at	5,100,819	68,506	76,717	21,436	298,663	5,566,141	5,786,959
31 March 2014							

2012/13

	Buildings	Specialist Sports Equipment	Furniture and Fittings	Motor Vehicle	Computer Equipment	Total SCNI	Total GROUP
	£	£	£	£	£	£	£
<b>Cost or Valuation</b>							
At 1 April 2012	5,743,046	197,922	163,774	90,036	981,752	7,176,530	7,523,547
Additions	66,282	-	1,264	-	46,496	114,042	197,254
Revaluation	(204,734)	2,442	1,541	1,793	89,879	(109,079)	(81,889)
Disposals	-	-	-	-	(39,803)	(39,803)	(64,417)
At 31 March 2013	5,604,594	200,364	166,579	91,829	1,078,324	7,141,690	7,574,495
<b>Depreciation</b>							
At 1 April 2012	464,713	79,717	62,101	62,098	463,616	1,132,245	1,315,993
Charge for the Year	231,324	21,666	10,791	5,378	144,363	413,522	475,259
Revaluation	(16,378)	768	290	1,630	35,127	21,437	44,268
Disposals	-	-	-	-	(33,995)	(33,995)	(57,215)
At 31 March 2013	679,659	102,151	73,182	69,106	609,111	1,533,209	1,778,305
<b>Carrying Amount at</b>							
At 31 March 2013	4,924,935	98,213	93,397	22,723	469,213	5,608,481	5,796,190
<b>At 31 March 2012</b>	<b>5,278,333</b>	<b>118,205</b>	<b>101,673</b>	<b>27,938</b>	<b>518,136</b>	<b>6,044,285</b>	<b>6,207,554</b>
<b>Asset Financing:</b>							
Short Leasehold	4,924,935	-	-	-	-	4,924,935	4,924,935
Owned	-	98,213	93,397	22,723	469,213	683,546	871,255
Carrying Amount at	4,924,935	98,213	93,397	22,723	469,213	5,608,481	5,796,190
31 March 2013							

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The carrying amount of buildings comprises:

	<b>2014 SCNI £</b>	<b>2014 GROUP £</b>	<b>2013 SCNI £</b>	<b>2013 GROUP £</b>
Short Leasehold	<u>5,100,819</u>	<u>5,100,819</u>	<u>4,924,935</u>	<u>4,924,935</u>

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 2014 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 19).

**12. Intangible Assets**

	<b>SCNI Computer Equipment £</b>	<b>Total GROUP £</b>
<b>Cost or Valuation</b>		
At 1 April 2013	695,039	763,000
Additions	23,157	28,242
Revaluation	(37,743)	(37,743)
Disposals	-	-
At 31 March 2014	<u>680,453</u>	<u>753,499</u>
<b>Amortisation</b>		
At 1 April 2013	509,930	537,746
Charge for the Year	50,731	88,698
Revaluation	(22,113)	(22,113)
Disposals	-	-
At 31 March 2014	<u>538,548</u>	<u>604,331</u>
<b>Carrying Amount At:</b>		
At 31 March 2014	<u>141,905</u>	<u>149,168</u>
At 31 March 2013	<u>185,109</u>	<u>225,254</u>
<b>Asset Financing:</b>		
Owned	<u>141,905</u>	<u>149,168</u>
Carrying Amount at 31 March 2014	<u>141,905</u>	<u>149,168</u>

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**2012/13**

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

**13. Inventory of Luncheon Vouchers**

	<b>2014 SCNI £</b>	<b>2014 GROUP £</b>	<b>2013 SCNI £</b>	<b>2013 GROUP £</b>
Balance 1 April	24	24	106	106
Receipts	12,890	12,890	11,996	11,996
Issued to Staff	(12,888)	(12,888)	(12,078)	(12,078)
Balance 31 March	<u>26</u>	<u>26</u>	<u>24</u>	<u>24</u>

**14. Trade and Other Receivables**

<b>14 (a). Analysis by Type</b>	<b>2014 SCNI</b>	<b>2014 GROUP</b>	<b>2013 SCNI</b>	<b>2013 GROUP</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Trade Receivables	125,046	125,143	111,090	111,154
Other Receivables	62,649	85,159	126,317	133,439
VAT	-	-	-	-
Amount Owed by Lottery	169,422	169,422	141,792	141,792
Grant Claw back	43,841	43,841	16,798	16,798
<b>Total</b>	<b>400,958</b>	<b>423,565</b>	<b>395,997</b>	<b>403,183</b>

<b>14 (b). Intra Government Balances</b>	<b>2014 SCNI</b>	<b>2014 GROUP</b>	<b>2013 SCNI</b>	<b>2013 GROUP</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Balances with central government	2,615	2,615	51,558	51,558
Balances with local authorities	6,725	6,725	10,124	10,124
Balances with other government organisations	258,768	258,768	171,513	171,513
Balances with bodies external to government	132,850	155,457	162,802	169,988
	<b>400,958</b>	<b>423,565</b>	<b>395,997</b>	<b>403,183</b>

**15. Cash and Cash Equivalents**

<b>Cash at Bank and in Hand</b>	<b>2014 SCNI</b>	<b>2014 GROUP</b>	<b>2013 SCNI</b>	<b>2013 GROUP</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Bank	426,663	409,452	985,372	1,056,796
Petty Cash	206	281	449	449
<b>Total Cash at Bank and in Hand</b>	<b>426,869</b>	<b>409,733</b>	<b>985,821</b>	<b>1,057,245</b>

<b>Petty Cash Movement</b>	<b>2014 SCNI</b>	<b>2014 GROUP</b>	<b>2013 SCNI</b>	<b>2013 GROUP</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Petty Cash – 1 April	449	449	404	404
Net Movement in Petty Cash	(243)	(168)	45	45
Petty Cash – 31 March	206	281	449	449

<b>Cash at Bank Movement</b>	<b>2014 SCNI</b>	<b>2014 GROUP</b>	<b>2013 SCNI</b>	<b>2013 GROUP</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Balance at 1 April	985,372	1,056,796	231,937	272,378
Net Change in Cash and Cash Equivalent Balances	(558,709)	(647,344)	753,435	784,418
<b>Balance at 31 March</b>	<b>426,663</b>	<b>409,452</b>	<b>985,372</b>	<b>1,056,796</b>

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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:

	2014 SCNI £	2014 GROUP £	2013 SCNI £	2013 GROUP £
Commercial Banks and Cash in Hand	426,869	409,733	985,821	1,057,245

**16. Trade and Other Payables**

**16 (a). Analysis by Type**

	2014 SCNI £	2014 GROUP £	2013 SCNI £	2013 GROUP £
Trade Payables	-	81,890	-	114,124
VAT	24,195	24,195	838	838
Other Tax and Social Security	79	79	-	-
Other Payables	603,078	754,740	503,696	696,036
<b>Total Trade and Other Payables</b>	<b>627,352</b>	<b>860,904</b>	<b>504,534</b>	<b>810,998</b>
<b>Grant Commitments</b>	<b>3,139,007</b>	<b>3,139,007</b>	<b>2,356,822</b>	<b>2,356,822</b>
<b>Total Current Liabilities</b>	<b>3,766,359</b>	<b>3,999,911</b>	<b>2,861,356</b>	<b>3,167,820</b>

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

	2014 SCNI £	2014 GROUP £	2013 SCNI £	2013 GROUP £
Balances with central government	24,274	24,274	23,802	23,802
Balances with local authorities	570,896	570,896	472,144	472,144
Balances with other government organisations	106,383	267,116	184,059	361,986
Balances with bodies external to government	3,064,806	3,137,625	2,181,351	2,309,888
	<b>3,766,359</b>	<b>3,999,911</b>	<b>2,861,356</b>	<b>3,167,820</b>

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**17. Non-Current Liabilities**

**17 (a). Provision**

	<b>2014</b>	<b>2013</b>
	<b>SCNI</b>	<b>GROUP</b>
	<b>£</b>	<b>£</b>
Balance at 1 April 2013	47,120	-
Provided in Year	-	47,120
Balance at 31 March 2014	<u>47,120</u>	<u>47,120</u>

**Analysis of expected timing of discounted flows**

	<b>2014</b>	<b>2013</b>
	<b>SCNI</b>	<b>GROUP</b>
	<b>£</b>	<b>£</b>
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 2014</b>	<u><b>47,120</b></u>	<u><b>47,120</b></u>

The provision relates to legal costs that Sports Council may have to pay to a third party.

**17 (b). Pension**

	<b>Note</b>	<b>2014</b>	<b>2014</b>	<b>2013</b>	<b>2013</b>
		<b>SCNI</b>	<b>GROUP</b>	<b>SCNI</b>	<b>GROUP</b>
		<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Pension Liability	4	<u>3,588,000</u>	<u>3,681,500</u>	<u>3,473,000</u>	<u>3,473,000</u>

**18. 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.

## 19. Commitments Under Leases

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

	2014		2013	
	Land & Buildings £	Other £	Land & Buildings £	Other £
Operating Leases which Expire:				
Within One Year	2,350	-	2,250	-
Within Two and Five Years Inclusive	9,400	-	9,000	-
Over Five Years	34,793	-	35,563	-
<b>Total</b>	<b>46,543</b>	<b>-</b>	<b>46,813</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.

## 20. 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 Community Capital - £931,441;
- Departmental Priority Capital - £2,112,788
- Mountain Rescue - £35,000;
- Countryside Activities- £126,250;
- Midnight Soccer - £149,600
- Disability - £162,500; and
- Special Olympics - £610,753.

Amounts contracted but not provided in the financial statements total £NIL (2012/13: £NIL).

## 21. Contingent liabilities

There were no contingent liabilities at 31 March 2014.



## 22. 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
Gerard Campbell	Disability Sports NI	167,750	Subscribing Member (Chair) – Current – Knights Wheelchair Basketball Club – affiliated to Disability Sports NI
Paul Cummings	NI Archery Society	14,500	Performance Manager – Former
	Rowing Ireland	4,000	Person Connected – Subscribing Member – Current
Barry MacCaulay	Disability Sports Northern Ireland	167,750	Vice - Chair – Current
	Woodvale Cricket and Tennis Club	38,798	Subscribing Member – Current
Roisin Mallon	Athletics Northern Ireland	66,250	Person Connected – Subscribing Member – Current
	Mountaineering Ireland	38,000	Subscribing Member – Current – Belfast Assoc. of Rockclimbers and Fellrunners – affiliated to Mountaineering Ireland
	St Bernard's Primary School (Belfast)	1,786	Person Connected
	Ulster Council Gaelic Athletic Association (GAA)	63,750	Person Connected – Subscribing Member – Current

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<b>Council Member</b>	<b>Grantee</b>	<b>Commitments to Grantee £</b>	<b>Relationship of Council Member to Grantee</b>
Danny O'Connor	Basketball Northern Ireland	4,000	Honorary Member/Commissioner – Current
	North Belfast Play Forum	299,200	Vice - Chair – Current

<b>Staff Member</b>	<b>Grantee</b>	<b>Commitments to Grantee £</b>	<b>Relationship of Staff Member to Grantee</b>
Maxine Banford	Cycling Ireland	20,316	Subscribing Member – Current
Alison Campbell	Athletics Northern Ireland	66,250	UK Level 3 Coach – Current
	Jacqueline McKernan	2,700	Friend
	Ulster Hockey Union	117,541	Subscribing Member – Current Person Connected – Subscribing Member – Current
Michael Cooke	Derry City Council	16,000	Co-ordinator of North West Talent Project – Current
Conor Cuning	St Joseph's Primary School (Dunloy)	4,440	Person Connected
Alan Curran	Southern Sports Partnership	18,000	Salaried Employee - Former
William Devlin	St Colman's Primary School (Lisburn)	4,600	Person Connected
Leslie Dewart	Southern Sports Partnership	18,000	Part-time Coach
			Person Connected – Chairperson – Current

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Staff Member	Grantee	Commitments to Grantee £	Relationship of Staff Member to Grantee
Joe Donnelly	St Patrick's College – Bearnageeha	4,600	Former Pupil
	St Patricks Primary School (New Lodge Area)	5,000	Former Pupil
Jolene Donnelly	St Joseph's GAC (Edenderry)	245,000	Person Connected – Subscribing Member (Club Secretary) – Current
Paul Donnelly	Aisling Reilly	5,562	Subscribing Member St Pauls GAC – Current – Aisling Reilly also a Subscribing Member – Current
	GAA Handball Ireland	15,200	Subscribing Member St Pauls GAC – Current – Aisling Reilly also a Subscribing Member – Current
	St Colman's Primary School (Lisburn)	4,600	Person Connected
Trevor Fisher	Canoe Association of Northern Ireland	98,650	Subscribing Member – Current
	Mountaineering Ireland	38,000	Subscribing Member – Current
	Royal Yachting Association	51,250	Subscribing Member – Current
Gillian Gilliland	Lisnasharragh Primary School (Castlereagh)	1,134	Person Connected
Oisin Hallissey	Canoe Association of Northern Ireland	98,650	Subscribing Member – Current
	Mountaineering Ireland	38,000	Subscribing Member – Current
Nick Harkness	Golfing Union of Ireland	40,500	Person Connected – Subscribing Member – Current

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Staff Member	Grantee	Commitments to Grantee £	Relationship of Staff Member to Grantee
Liam Hinphey	Ulster Council GAA	63,750	Person Connected – Salaried Employee – Current
Noleen Lennon	Netball Northern Ireland	104,000	Subscribing Member – Current
Diarmaid McAuley	Netball Northern Ireland	104,000	Person Connected – Salaried Employee – Current
Mike McClure	Canoe Association of Northern Ireland	98,650	Subscribing Member – Current
	Just Kayak	750	Delivered Coaching Courses
Stephen Millar	Canoe Association of Northern Ireland	98,650	Subscribing Member – Current
	Mountaineering Ireland	38,000	Subscribing Member – Current
John News	Cycling Ireland	20,316	Subscribing Member – Current
	St Peter's GAC (Lurgan)	245,000	Person Connected – Subscribing Member – Current
	St Teresa's Primary School (Lurgan)	7,947	Person Connected
Shaun Ogle	Cycling Ireland	20,316	Subscribing Member – Current
Kieran O'Hara	Canoe Association of Northern Ireland	98,650	Subscribing Member – Current
	Mountaineering Ireland	38,000	Subscribing Member – Current

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Staff Member	Grantee	Commitments to Grantee £	Relationship of Staff Member to Grantee
Jill Poots	Crawfordsburn Scout Centre	700	Person Connected – Volunteer
	Golfing Union of Ireland	40,500	Person Connected – Subscribing Member – Current
	Irish Ladies Golf Union Ltd	20,013	Person Connected – Subscribing Member – Current
	Regent House	245,000	Person Connected
	Ulster Hockey Union	117,541	Person Connected – Subscribing Member – Current
Paul Scott	Athletics Northern Ireland	66,250	Member of affiliated club – Current
	Belfast City Council	199,165	Consultancy work for events section – Approx. 8 days per annum
Andrew Sloan	Belfast City Marathon Ltd	10,000	Honorary Officer - Current
David Smyth	Horse Sport Ireland	92,500	Person Connected – Subscribing Member – Current
	Ulster Hockey Union	117,541	Subscribing Member (Volunteer Coach) – Current
Laura Strong	UB Irish Table Tennis Association	42,050	Person Connected – Subscribing Member – Current
Simon Toole	Ulster Hockey Union	117,541	Coach/Tutor
Mark Watters	Golfing Union of Ireland UB	40,500	Subscribing Member – Current
			Person Connected – Subscribing Member – Current
Ian Weir	Belfast Indoor Bowling Club	62,278	Subscribing Member – 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:

- Shane McCullough;
- Gerard Campbell;
- Paul Cummings – appointed 24 July 2013;
- Danny O'Connor – resigned 30 June 2013; and
- Olive Brown – resigned 11 October 2013.

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, staff within Sports Council carrying out functions on behalf of the Sports Institute include:

- Robin Gregg (Talent Systems Manager).

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.

**23. Losses and Special Payments**

There were no bad debts written off or provisions made during the year (2012/13: Nil).

During the year there were no special payments (2012/13: Nil).

During the year there were no losses (2012/13: Nil).

SINI had no bad debts written off during the year (2012/13: Nil), and no cash losses.

**24. 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.

**25. 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 30 June 2014.

**26. 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 2014 there was a deficit of £19,659 of which the Sports Council's share was £9,830 for the year (before actuarial losses), and net liabilities of £187,000 of which Sports Council's share was £93,500.

SINI is currently undergoing a restructuring exercise. As part of the restructuring the activities, assets and liabilities of SINI will be transferred to Sport Council Northern Ireland. This process is expected to be completed within the next twelve months. No formal agreement or timescale has yet been put in place for the transfer of activities to Sport Council Northern Ireland and the services provided by SINI will continue to be provided, using the same assets, by another public sector entity. SINI was funded by Sports Council for Northern Ireland Lottery Distribution Fund up to 31 March 2014. From 1 April 2014 the company will be funded through Sports Council for Northern Ireland Exchequer.

**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 (FRM);
- 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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