

Sports Council for Northern Ireland
Lottery Distribution Account
for the Year Ended
31 March 2018

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Presented to Parliament pursuant to C.39, Section 35(5) of the National Lottery etc. Act
1993 (as amended by the National Lottery Act 1998)

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PERFORMANCE REPORT

This Performance Report focuses on matters relevant to all users of Financial Statements. Although it is designed to be a self-standing document, much of the information contained in it is simply a summary of information provided in other documents and is therefore cross-referenced as appropriate. The Performance Report has two sections: an ‘Overview’ and a ‘Performance Analysis’.

The Governance Statement (refer to page 23) provides detail on the significant delay in the audit of the Sport Council for Northern Ireland Lottery account for 2017-18. The audit of the 2017-18 annual report and accounts was completed during the 2024-25 financial year. The narrative and information included in the annual report and accounts should be considered in that context.

Overview

The purpose of the ‘Overview’ section of the Performance Report is to give the user a brief summary that provides the lay user with sufficient information to understand the organisation, its purposes, the key risks to the achievement of its objectives and how it has performed during the year. It consists of the Chair’s Foreword, Chief Executive’s Introduction and the Purposes of the Sports Council for Northern Ireland (hereafter Sport NI).

Chairman’s Foreword

It gives me great pleasure to introduce the 2017-18 Annual Report for Sport NI. As we reached the end of the third year of our five-year 2015-20 Corporate Plan, Sport NI remained more committed than ever to developing and enhancing Northern Ireland’s sporting pathways and systems. This focus on sporting pathways is underpinned by the three strategic objectives within the 2015-20 Corporate Plan; Sporting Communities, Sporting Clubs and Sporting Winners, and once again Sport NI staff have been lending their expertise and strategic support, in collaboration with our key delivery partners, to help people at all stages of the pathway enjoy, engage and excel in sport and physical activity.

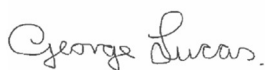
This work has involved creating more opportunities for people to get active and delivering programmes and initiatives which are not only promoting a more inclusive and engaging sporting community, but which use sport as a catalyst for positive societal change. Our Every Body Active programme and work in support of the Active Living: No Limits Action Plan are helping to target and engage underrepresented groups such as female participants, participants with a disability and those from areas of high social need. Since the programme’s launch in 2016, our Every Body Active (EBA) coaches have delivered nearly one million participation opportunities within local communities across Northern Ireland, and as the programme continues, we see ever more exciting and diverse opportunities become available, from futsal to glow sports. Similarly, during 2017-18 I had the great pleasure of attending the official launch of the 11 District Council Disability Sports Hubs being set-up as part of Active Living: No Limits. The availability of these new equipment hubs in local communities will help to open up many new and accessible opportunities for people living with a disability to get active and enjoy all the benefits of sport – both in terms of physical and mental health. 2017-18 has also seen the continued roll-out of our Defibrillators for Sport initiative with the Department for Communities, with over 1,000 devices now distributed to sports organisations and community groups. This particular initiative typifies how, working together, we can harness the power of sport, and sports clubs which are at the heart of local communities, to help improve the overall safety and wellbeing of people here in Northern Ireland. With Sport NI now firmly embedded in local councils Community Planning, we look forward to exploring and delivering more such projects in the future.

Turning to the other end of our sporting pathway, the Sport NI Board welcomed the official launch of the Sporting Clubs and Sporting Winners programmes during 2017-18. The strategic investment and expertise of Sport NI staff being provided through these two programmes will enable the organisation to provide real leadership and partnership to governing bodies and other sports partners as we help people to pursue and achieve their sporting ambitions. Our local sports clubs and the sporting workforce who operate our club systems are at the absolute heart of helping people here to have a more meaningful and lifelong involvement in sport. As well as supporting and investing in work to create more clubs' members, which has contributed to thousands of new members during the first year of the project, Sport NI staff are also engaged with the sporting workforce, both at local and national level. This included welcoming the 2017 UK Coaching Summit to Northern Ireland in June 2017.

Our club structures and systems provide the foundation for local athletes to develop, thrive and succeed, ensuring Northern Ireland continues to thrive and be recognised as a place where sports people excel. 2017-18 has provided us with more sporting highlights, including Jonathan Rea's third successive World Superbike title, boxer Ryan Burnett's victory over Zhanat Zhakiyanov in Belfast in October to make him unified bantamweight World champion, and more recently the Ireland rugby team's historic Grand Slam in the Six Nations. These achievements represent the power that sport has to galvanise our communities, to instil a sense of pride and inspire us to continue to pursue success. Through the Sporting Winners programme, we look forward to continuing to support local athletes to win at the highest levels.

Internally, the organisation faced a number of challenges in relation to performance, governance and leadership; decisions taken by the Board during this 2014-15 period materialised as considerable risk in consequent years resulting in a separate NIAO report published in 2020. The Board is committed to learning from findings of this report and to implementing its recommendations.

In closing, I would like to pay recognition to my fellow Board Members who continue to lend their time, commitment and expertise in the name of promoting and developing sport, and the Sport NI staff for their passion, creativity and leadership in building and enriching our local sporting pathways. The achievements over 2017-18 lend us renewed determination and positivity as we continue to build on our successes and work towards our corporate vision of "Northern Ireland: renowned as a place where people enjoy, engage, and excel in sport".



George Lucas
Chairman
Sports Council for Northern Ireland

Date: 5 December 2024

Chief Executive's Introduction

Sport has the power to enhance lives, improving physical health and mental wellbeing. It can transform and unite communities. It inspires us and acts as a source of pride, both for us as individuals and as a nation.

This passion for sport informs and guides everything that we as Sport NI do, and the work and successes which have been delivered in 2017-18 by Sport NI and its partners is testament to that. 2017-18 was momentous, particularly when it comes to female sport.

The CEO was thrilled, and deeply proud, to be among spectators at the National Football Stadium in the summer of 2017 for Northern Ireland's opening match in the UEFA Women's U19 Championships, as well as Ireland's matches during the Women's Rugby World Cup.

It was such an incredible moment to see Northern Ireland being a platform for two such prestigious international events showcasing the quality and standard of women's sport, knowing how significant these tournaments would be for new generations of girls inspired to take up sport and emulate their idols. The Rugby World Cup enjoyed record social and digital media engagement inspiring new rugby fans, reflecting the increasing profile of female sport on the world stage.

The promotion and development of female sport remains an organisational priority for Sport NI, both in terms of female participants through our Every Body Active programmes, and the development of female coaches. In addition, we have continued to work with partners on the delivery of the "Women and Girls: Active Fit and Sporty" project to build on the legacy of the incredible summer of women's sport during 2017, which also included the Féile Peil na nÓg. It is crucial that we capitalise on the energy and excitement created during 2017-18 by helping more women and girls get and stay active, not just by creating opportunities but also promoting the leaders who are key to ensuring that female sport continues to grow and thrive here.

There was also much to celebrate during 2017-18 from our female sporting winners, with the Northern Ireland Netball team, cyclist Lydia Boylan and lawn bowlers Catherine Beattie and Megan Wilson all claiming silver medals at their respective European Championships, as well as a bronze for wheelchair basketballer Katie Morrow and the British senior team at their European Championship. It was also brilliant to see our history-making para-skier Kelly Gallagher make a successful comeback from injury to qualify and compete at her third successive Winter Paralympic Games.

There was success also for our para-athletics heroes Jason Smyth and Michael McKillop at the World Championships in London last summer. Both Jason and Michael brought home a pair of gold medals from the tournament, with the successful defence of their respective T13 100m and 200m, and T37 800m and 1500m titles. In addition, we welcomed success for our lawn bowlers at the European Championships, with Mark Wilson and Andy Kyle claiming success in the Men's Pairs, and in the boxing ring with local fighters Kurt Walker and Brendan Irvine taking bronze medals at their European Championships in Ukraine. These sporting achievements are vital in not only continuing to build the profile of Northern Ireland as a place where people excel in sport, but also in inspiring and encouraging those further down our sporting pathways to continue to be involved in sport and pursue their athletic ambitions.

The results also offer much encouragement when looking towards the Gold Coast Commonwealth Games. Sport NI staff have been hard at work in the run-up to the 2018 Games, providing their support and expertise to athletes and coaches as they prepare to compete. This includes the service providers at our Sports Institute to our anti-doping educators and staff working with the sporting community to refine and develop our performance pathways vital to nurturing future generations of sporting talent. The Commonwealth Games are always a special event for Northern Ireland as a sporting nation, and I am confident we can look forward to more success for Team NI in Australia.

While it is important and appropriate for us to celebrate the achievements and successes of our athlete population, I am mindful that it is also crucial to recognise the role that our local sporting workforce plays in making sport happen day-in, day-out, at all levels of the sporting pathway. The work of our coaches, officials and volunteers, from grassroots and community level right through to high performance, is at the heart of sport. Unfortunately, because it often happens at the touchline or behind the scenes, it can easily go unnoticed. That's why a personal highlight for me in 2017-18 was Sport NI's COV (Coaching, Officiating and Volunteering) Awards, which shone a spotlight on the work individuals and projects are doing across Northern Ireland. Hearing their stories and learning of the impact it is making to athletes, clubs and communities was truly inspiring and humbling.

Sport NI recognises our responsibility to deliver sport within a robust framework of governance, value for money and public accountability. There are some key learnings during this year which the organisation continues to work to address so that we are seen as a trusted and effective leader, and we are committed to continuous improvements and organisational growth.

As we look to our sporting heroes to inspire us all, Sport NI is even more cognisant of the role that we have in building quality sporting experiences in NI. We continued our change management programme throughout 2017-18, and in 2018-19 we continued implementing change to further develop Sport NI as a highly performing team. We also entered the year 2018-19 with an ever-stronger awareness of the power of sport to bring out the very best in our society and a renewed determination to lend our leadership and expertise to the development of sporting pathways in Northern Ireland.



Richard Archibald
Interim Chief Executive
Sports Council for Northern Ireland

Date: 5 December 2024

Strategic Report

Purpose and Activities of Sport NI

Background Information

The Sports Council for Northern Ireland (referred to as “Sport NI”) is the statutory body through which public funding for sport in Northern Ireland is channelled. It was established on 31 December 1973 under the provisions of the Recreation and Youth Service (Northern Ireland) Order 1973 (as amended) with its main objective being the furtherance of sport and physical recreation.

Sport NI’s 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 for Communities and other Government departments, the Education Authority, Local Councils and other bodies interested in sport and physical recreation;
- To encourage the provision of facilities for, and participation in, sport and physical recreation;
- 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.

The National Lottery etc. Act 1993 (the 1993 Act) established the National Lottery and designated five ‘good causes’: arts, sport, national heritage, charitable projects and projects to mark the year 2001 and the beginning of the third millennium. The National Lottery Act 1998 (the 1998 Act) which came into force in July 1998 established a sixth good cause, the New Opportunities Fund, the functions of which were taken on by the Big Lottery Fund (Now the National Lottery Community Fund) through the National Lottery Act 2006 (the 2006 Act). Each of the good causes receives a percentage of the net proceeds of the Lottery paid out of the National Lottery Distribution Fund (NLDF).

In 1994, the Minister for the Department for Culture, Media and Sport (DCMS) appointed Sport NI as a Lottery distributor for 2.6% of money allocated to sport. Lottery funds are accounted for in the Sports Council for Northern Ireland Lottery Distribution Account (referred to as the Sport NI Lottery Account).

Grant in Aid Activities

Sport NI is primarily funded by Grant in Aid from the Department for Communities. These funds are accounted for separately in Sports Council for Northern Ireland Accounts (referred to as Sport NI Exchequer Account).

Principal Functions related to National Lottery Distribution Activities

Sport NI has developed its policies and procedures for the Sport NI Lottery Account within the framework of the 1993 Act (as amended by the National Lottery Act 1998) and the policy and financial directions (the Directions) issued by the Department for Communities, on behalf of the Department of Culture, Media and Sport. Sport NI’s policies and procedures are continually under review to ensure that they comply with requirements, remain appropriate and that the maximum benefit is achieved for sport in Northern Ireland.

A requirement of the 1998 Act is that Sport NI prepares and adopts a strategic plan for the distribution of its share of Lottery income. Sport NI developed and agreed a Corporate Plan covering the period 2015–2020 and a current Plan covering the period 2020–2025. These outline how Sport NI will allocate its share of Lottery funding and sets out Sport NI's priorities, activities, targets and programmes during the period.

2017-18 National Lottery Distribution Activities

In 2017-18, Sport NI continued to offer a range of capital and revenue programmes. Every Body Active, Active Clubs, Boxing and Single Facilities were existing programmes, which continued during the year. New investments were made under the programmes Sporting Clubs/Winners. Sporting Clubs delivers sustained increases in club membership through club and workforce development with a range of funded sporting organisations. Sporting Winners invests in National Governing Bodies of Sport supporting athletes and teams that have the potential for success at major senior international competitions – Olympic Games, Paralympic Games, Commonwealth Games, the World Championship Event and the European Championship.

Future Developments in National Lottery Distribution Activities

In June 2017 DCMS advised that the Gambling Commission anticipated a continued fall in lottery receipts after a £1m fall in income for Sport NI in 2016-17. Sport NI undertook a review of its future investments and decided not to progress with any new programmes for 2018-19, beyond the current 4-year programmes, until it determined if ticket sales would continue to decline or stabilise.

National Lottery Distribution Fund (NLDF) Balance Policy

In August 2003 the Department for Culture, Media and Sport (DCMS) issued a guidance note which proposed that all Lottery Distributors should develop an NLDF policy and should publish an annual statement in their audited accounts, setting out the basis of the policy and the actions required to manage the NLDF balance. Sport NI's NLDF policy is included within the accounts at Note 9.

Key Issues and Risks

Sport NI uses agreed Corporate Plans to ensure the cost of key programmes and activities forecast would have adequate funds available over the planning period and to avoid any over-commitments in the Lottery Distribution Fund. In 2017-18 a decline in lottery ticket sales created a risk to Sport NI's future income and as a result no additional programmes were planned for. Sport NI continues to review its budgets to identify efficiencies and provide plans to make savings as required.

Decisions taken by Sport NI during the 2014-15 and 2015-16 years resulted in risks materialising in subsequent years that had a significant impact on the reputation and operation of the organisation. The details of these decisions are outlined in previous years accounts. The areas of focus for 2017-18 are outlined in the Governance Statement.

Going Concern Basis

The Lottery Distribution Accounts of Sport NI are produced on the Going Concern Basis. This was formally considered by the Board at its Board meeting on 13 March 2024. Sport NI is not aware of any reason to adopt a different basis.

Sport NI considers that the Fund is not exposed to significant liquidity risks; it is satisfied that it has sufficient liquid resources within the NLDF and cash balances of £14.7m as well as forecasted NLDF income to cover the total liabilities of £5.2 million.

Performance Summary

Sport NI's Business Plan for 2017-18 responded to the Management Statement and Financial Memorandum, drawn up by the Department for Communities and sets out the organisation's Key Performance Indicator (KPI) targets for the financial year.

Per the end of year review of the Business Plan, 92% (31 March 2017: 89%) of the 27 KPI's were either achieved or likely to be achieved. Please refer to the Performance Analysis section below for further details.

Performance Analysis

Financial Results

Sport NI's Lottery Distribution results are set out in the Statement of Comprehensive Expenditure. Total proceeds and investment income received from the National Lottery totalled £8,527,007 (2016-17: £8,503,321). During the year Sport NI made awards of £8,232,419 (2016-17: £3,995,210). A total of £7,796,719 (2016-17: £8,025,291) was paid to grant applicants. The total administrative costs of Sport NI's Lottery distribution activities, including staff costs but excluding non-cash costs and following a review of the staff time and related costs attributable to National Lottery activities, was £1,535,533 (2016-17: £1,833,911). This represents approximately 18.0% (2016-17: 21.6%) of the total National Lottery proceeds received in the year.

Declining lottery ticket sales in 2017-18 resulted in the Board of Sport NI reviewing its strategic investment initiatives over the longer term with a view to reducing the Lottery Distribution Fund balance whilst still retaining the required level of reserve.

Equity at Year End

At 31 March 2018 the Lottery Distribution Account showed net expenditure of £780,153 (31 March 2017: net income £3,869,514). At 31 March 2018, total equity showed a surplus of £9,506,015 (31 March 2017: £10,286,168).

Review of Activities and Key Performance Indicators (KPIs)

Sport NI's Business Plan for 2017-18 responds to strategic objectives set out in Sport NI's 2015-20 Corporate Plan and reflects the 13 overarching outcomes, which are linked to Sport NI's strategic objectives. The outcomes are arranged into four main sections, namely Results, Customers/Stakeholders, Internal Processes and Organisational Learning and Growth.

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

The table overleaf provides a summary of the 27 KPI targets using a 'traffic light' rating system showing progress against each overarching outcome. Per the end of year review of the Business Plan, 25 (92%) of the 27 KPI's were either achieved or likely to be achieved.

Key:

Green = Target achieved or likely to be achieved

Amber = likely to be missed by a small margin (<10%)

Red = likely to be missed by a substantial margin (>10%)

Overarching Outcome	Outcome	Key Performance Indicator	Progress Status at Year End
1. Results	1. More people adopting and sustaining a sporting lifestyle.	1. To lead and support the development and delivery of sport at a community level; extending choice and quality sporting opportunities which engage all.	Green
		2. To increase participation in grassroots sport with a target on young people, people with a disability, women and girls, older people and people living in areas of high social need.	Green
	2. More people to develop and reach their sporting goals through a structured environment.	3. To support the sporting workforce to enable sports clubs to develop and deliver quality sporting experiences so that people can enjoy and sustain sporting lifestyles.	Green
		4. To invest in quality sports facilities that engage communities, support achievement of sporting goals and develop future champions.	Green
	3. More Northern Ireland athletes winning at the highest level.	5. To prioritise those sports and athletes who have the potential to achieve success and excel at the Olympic, Paralympic and Commonwealth Games.	Green
		6. To work strategically with sports (including culturally significant sports) to invest our high-performance expertise where it is most needed to ensure success.	Amber
2. Customers and Stakeholders	4. Effective Engagement with people, stakeholders and delivery partners	7. To manage and co-ordinate the continued implementation of Sport Matters by: <ul style="list-style-type: none"> i. Facilitating three Strategy Implementation Groups to engage; ii. Updating (if necessary) and advocating a detailed Action Plan for Implementation 2015-2019; and iii. Monitoring and reporting on progress and achievements. 	Green
		8. To work with and support the Department for Communities to develop a new Northern Ireland Strategy for Sport 2020-2030.	Green
	5. Improved partnership working and engagement with local government through community planning.	9. To have worked with and supported local government, at a strategic and operational level, to implement the 11 District Council Community Plans.	Green
		10. To have agreed protocols and processes with the 11 district councils for	Green

		Sport Northern Ireland small grants funding that support delivery of the 11 community plans.	
	6. Responsive and effective service delivery	11. To have developed a customer focused research and insight framework, specifically designed to support key partners and stakeholders in measuring the impact of their work.	Green
3. Internal Processes	7. Effective Corporate Governance	12. To have undertaken an assessment of Financial Management within Sport Northern Ireland and developed and implemented an enhancement plan.	Green
		13. To enhance governance and compliance through exploiting opportunities provided through Enterprise Shared Services, in particular on-boarding to ITAssist and AccountNI.	Green
		14. To have undertaken a programme of investment evaluations that will inform assurance and stewardship reporting and enhance future investment decisions.	Green
	8. Effective and efficient management of financial resources	15. To continually manage and maximise the budget to ensure strategic objectives and priorities are met while ensuring no overspend and taking timely action to minimise any underspends.	Green
		16. To develop financial forecasts taking account of anticipated budget reductions [5% to 10% per annum] over the next four financial years.	Green
	9. Improved processes and services through a new information management and digital strategies.	17. To have in place an Electronic Document and Records Management System HP ERMS (TRIM) supported by information Management systems and processes which comply with the Lord Chancellor's Code of Good Practice for Information Management.	Green
		18. To develop a plan for the integration of information management systems within Sport Northern Ireland.	Green
	10. Effective and efficient management of human and physical resources.	19. To have developed and implemented a structured approach to tackling performance and put in place measures to address underperformance firmly and fairly.	Green

		20. To have attained Investors in People (IiP) accreditation.	Green
		21. To have managed staff absence effectively in line with good practice and Sport NI policy and procedures.	Green
		22. To have undertaken an evaluation of the future business model for Tollymore National Outdoor Centre in accordance with the conditions outlined by DfC-DoF within the agreed Business Case 2017-2021.	Green
4. Organisational learning and growth	11. Effective organizational leadership	23. To have developed and implemented an organisational wide structural review.	Green
		24. To have strengthened leadership and line management capability by providing training and support from the Institute of Leadership and Management.	Red
	12. A Skilled and motivated workforce	25. To have implemented the recommendations of the Culture Change project identified as part of Sport Northern Ireland's Transformation Programme.	Green
	13. Effective organizational health and safety	26. To have developed and implemented a Workplace Wellbeing Charter for staff within Sport Northern Ireland	Green
		27. To achieve improved performance in workplace health and safety.	Green

The amber rating for KPI 6 reflected that overall, the progress against this KPI was a little less than originally anticipated. A number of these sports (IFA, Ulster Branch of the IRFU, UGAA, and Cricket Ireland) chose to collectively challenge decisions made regarding investment into the Sporting Winners Programme. This decision meant that these sports did not receive financial investment from that Programme. A significant period of time was required to manage the challenges made and as a result the sports were initially slow to engage with SNI's offer to invest high performance expertise. By the end of the year however, progress had been made with three of these sports, with the fourth not taking up the opportunity to engage before the end of year. In addition, work was progressed with Ulster Branch of the IRFU, UGAA, and Cricket Ireland in terms of their club environments and also with the Motorsport Taskforce.

KPI 24 was given a red rating as a decision was taken by the Executive Team, due to significant personnel changes that had occurred in both the Executive and Management Teams, to revisit the procurement of the training at a later date to ensure successful delivery of the programme and value for money.

The following narrative provides detail of the significant work of the Sport NI Lottery Account during 2017-18:

1.0 Participation and Facilities

1.1 Every Body Active 2020 (Opportunities)

Every Body Active 2020 ‘Opportunities’, aims to “increase quality opportunities for targeted groups to develop and sustain participation in sport across key life-course transitions”. Through partnership working and investment in all 11 district council areas, Every Body Active plays a key role in working towards the outcomes of the Community Planning process.

The programme of activities established and delivered by the 11 District Councils in receipt of investment awards to affect change and increases over the four years of the programme.

The benefits identified are:

1. Increased participation in sport and physical recreation
2. Increased participation in sport and physical recreation amongst under-represented groups i.e., women and girls 55% to 59% pa, people with disability 14% to 18% pa, those from areas of high social need 31% to 35% pa.
3. Increase club and community organisation capacity
4. Contribute to addressing social need and/or deprivation.

‘Opportunities’ is targeting clearly identified key life course transition points, which in the past have shown a drop off in participation levels. By addressing these drop off points Every Body Active is creating more sustained participation in sport and physical activity across Northern Ireland. During 2017-18, 84,864 individuals participated in activity delivered through the programme, 60% of these were women and girls, 17% people with a disability, 25% from areas of greatest social need, and 30% recorded as sustained participants (more than 11 sessions during the reporting year). Examples of some of the opportunities delivered during 2017-18 include Glow Sports classes delivered through Belfast City Council and Lisburn City and Castlereagh Council, and a Kids Active programme delivered through Mid Ulster Council targeting autistic children and their families.

1.2 Every Body Active 2020: Outdoor Spaces

Outdoor Spaces, another strand of Every Body Active 2020, is a capital programme to fund new outdoor recreation infrastructure facilities spread throughout Northern Ireland which will develop access to the natural environment. Sport NI received 41 applications for funding ranging in requests from £12,000 up to £120,000 which are spread throughout a range of organisations including District Councils, sport clubs, community groups and disability groups. A priority of the programme was to create facilities throughout Northern Ireland and Sport NI received applications from 10 out of the 11 council areas. Four EBA Outdoor Spaces projects were delivered in 2017-18. Walking trails were developed and situated in Roslea, Liatroim, Kilclief which connected existing sports facilities with the natural environment and equipment for disability beach access was delivered by the Mae Murray organisation. In addition to delivering these projects Sport NI was able to source partnership funding (£240,000) through the Department of Agriculture, Environment and Rural Affairs.

1.3 Facility Fund

Strand one of this Programme, the Single Facility Fund will invest in single-sport facilities which seek to increase participation within the club structure. At the end of 2017-18 seven projects were completed on site.

One facility completed during the year was Co Armagh roller skating and community sports arena ‘The Rink’, operated by social enterprise “Powered by Sport” (formerly Love Hockey), which celebrated the official opening of its new facility in March 2018. The project received £100k investment from the Single Facility Fund. The new 16,000 square foot facility offers a wide range of services including Ireland’s largest roller-skating rink and services a number of users. Activities and opportunities being delivered at the facility include learn to Skate sessions for local schools, Futsal Leagues in conjunction with the IFA, wheelchair sledge hockey and danderball (Walking Football for over 50s) through assistance from the IFA, Council and local IFA clubs. A further 5 projects were on site at March 2018; Crewe United FC – 3G pitch; Beragh GAC – handball courts; Greater Village Regeneration Trust – 3G pitch; Annaclone GAC – 3G pitch and Flight Gymnastics – gymnastics facility.

Of the seven projects completed and five on site Sport NI has sourced partnership funding totalling £580,000. In addition, three other projects (a tennis dome at Lurgan Tennis Club and 3G pitches at St Patricks High School and Greenisland) were at development stage at March 2018.

The Performance Fund investment programme was placed on hold due to funding pressures.

The Multi Facility Fund opened for application in February 2018 with a closing date of 18 May 2018. 47 applications were received and were assessed during 2018-19.

1.4 Boxing Investment Programme

Following reports that identified a number of challenges to the development of boxing in Northern Ireland (including serious facilities and equipment issues, such as the use of temporary equipment in ageing buildings with limited or inadequate ancillary facilities), Sport NI has provided 96 clubs with new boxing equipment. Sport NI has followed this up with a capital programme that has worked with 38 boxing clubs from across Northern Ireland with a view to completing a range of capital works projects in some of the most deprived areas of Northern Ireland within Belfast, Lurgan, and Londonderry. The majority of projects under this programme were complete by 31 March 2018.

Among the projects which completed during the year 2017-18 was Clonard Amateur Boxing Club in Belfast, which celebrated the completion of its new purpose-built boxing facility in June 2017. The club received National Lottery investment of over £180k through Sport NI. The project saw the club move from its old home, at the Blackstaff complex on the Springfield Road, to a new state-of-the-art facility at the old NIE substation at Gortfin Street and involved significant refurbishment of the old station to include: a building extension, new roof, new changing and toilet accommodation, a gym area, weights area and range of new equipment. Included in the design for the new facility is an art installation featuring Olympic Bronze Medallist, World and European Champion Michael Conlan.

As well as a sports training location, it is hoped the new facility will help act as a community outreach hub and catalyst for transforming the area, particularly given its location – opposite a community centre, in an area of high social need. In May 2017, St Peter’s GAA Club and Phoenix Amateur Boxing Club also celebrated the completion of their new purpose-built boxing facility, 15 months after the club was left homeless following an arson attack on their previous premises at the same site.

One project under the investment programme remains outstanding – St John Bosco. This was delayed due to a building control issue which necessitated further design work. Sport NI continued to work with Belfast City Council and John Bosco ABC with the project completing in 2024-25.

2.0 Performance

2.1 Sporting Winners

The Sporting Winners Investment Programme was a single four-year investment, subject to annual review, highly targeted to deliver performance at international level. Up to £12.4M was invested for the four-year period with £2.65M invested in year one (2017-18).

There were 18 investments into 20 sporting organisations. In addition to this investment into sport high performance programmes, the Sporting Winners Programme level business case had made provision for Athlete Awards in each year of the Sporting Winners cycle 2017-21. In year one of the programme Athlete Awards were made to 17 Olympic and Commonwealth sports, worth a total amount of £173,750. Awards were made to 61 athletes, of which 44 were male and 17 were female.

The Sporting Winners investments have supported the establishment of 43 posts that contribute to high performance across 18 of the sporting organisations.

The Sporting Winners Programme runs over a four-year cycle. Each sport in receipt of investment seeks to deliver performances (medals, top 8s, top16s, top 32s) at senior level in World, Olympic / Paralympic, European and Commonwealth level competition. Sport NI allocates benefit points to these performances, e.g. a medal at World and Olympic / Paralympic level generates 20 points, a 'top 8' place is worth 10 points, a 'top 16' place worth five points and so on. Benefit points awarded for European and Commonwealth competitions are lower (e.g. a medal equals 10 points) in order to reflect the depth of the competitive field, which is less than in World, Olympic / Paralympic competition. The number of benefit points targeted in each year differs due to competition schedules. The contribution of each sport as a contributing 'project' within this Programme varies across the cycle and due to the nature of high-performance sport it would be challenging to achieve every result targeted. The benefit points targeted by all sporting organisations within the first year of Sporting Winners was 599. The total benefit points delivered by sporting organisations was 538 which represents a return of 89.8%.

During Year 1 of the Sporting Winners Programme, NI athletes delivered the following performances at Paralympic, World Championship and European Championship level: 17 medals won (6 gold, 5 silver, 6 bronze), 21 x top 8, 19 x top 16 and 11 x top 32. These sporting successes include two gold medals apiece for local athletes Jason Smyth and Michel McKillop at the 2017 World Para-athletics Championships in London. There were also silver medal wins for the Northern Ireland Netball squad at the European Championships, and for cyclist Lydia Boylan in the Women's Madison at the 2017 European Championships. Further silver medal success was achieved by Northern Ireland Bowlers at the European Champions – Mark Wilson and Andy Kyle took silver in the Men's Pairs, matched by Catherine Beattie and Megan Wilson in the Women's Pairs, and all four claiming a third silver medal in the Mixed Pairs event. There was also bronze medal success for athletes at European Championships, with medals for boxers Kurt Walker and Brendan Irvine and Team GB Wheelchair Basketball squad member Katie Morrow.

2.2 Sporting Clubs

The Sporting Clubs Investment was a single four-year investment, subject to annual review, targeted at delivering sustained increases in club membership. Up to £7.1m was invested over the four-year period, with up to £1.6m invested in Year 1.

In Year 1 of the programme, 19 sporting organisations received investment out of the 21 awarded for the 2017-21 cycle (investment in British Orienteering and Disability Sport NI will commence in Year 2). The Sporting Clubs Programme has enabled the establishment of 47 posts in sporting organisations across the Club & Workforce and Effective Organisations strands.

In Year 1 the programme has contributed to an increase of 20,534 club members across the 19 sports, in relation to the workforce there are now 511 new officials; 1,164 new volunteers; 3,700 new coaches, and a total of 151 clubs had live accreditations at 31 March 2018 through Sport NI's Clubmark NI quality standard accreditation scheme.

Year 1 has highlighted the importance of sports understanding their membership and workforce and having insight into the data that they hold on these populations within their club environment. This has been highlighted and developed through a series of networks and conferences across the investment that have enabled the sharing of best practice and learning from experts across themes such as: developing insight; delivering success; targeted workforce development; partnership working; modern learning; learning technologies; commercial planning; and general data protection regulations.

2.3 Active Clubs

Active Clubs was a National Lottery funded programme committed to increasing sports club membership as well as supporting their coaching and volunteer workforce through the delivery of various training, education and learning opportunities. There was a specific emphasis on engaging underrepresented groups including women & girls, those aged 14-25 years and those living in areas of high social need.

The programme supported 11 Governing Bodies of Sport and two umbrella organisations through the deployment of 15 full time and four part time Active Clubs Coordinators delivering on a range of project specific targets. During the period April 2017 to March 2018 Sport NI's targeted investment in Active Clubs has facilitated the growth of sports club membership by 5657 across 185 sports clubs.

During 2017-18, postholders have participated in three Club & Workforce Networks and the Accelerate'17 Conference which have included the following themes: developing insight; delivering success; targeted workforce development; partnership working; modern learning; and learning technologies. These events are an opportunity to bring together those from across the Active Clubs and Sporting Clubs programmes to share best practice and learn from identified experts on key topics. Among the projects being delivered through the programme is a project at Windsor Tennis Club in South Belfast offering tennis for blind and visually impaired people. The project was the first of its kind in Northern Ireland and was nominated as a finalist in the 2018 National Lottery Awards.

3.0 Additionality

Sport NI recognises and respects the additionality principles of Lottery funding. Lottery funding enables us to extend the reach and increase the impact of the activity that we could undertake if Exchequer funds alone were available. Together with the other Lottery distributors, we have agreed to share the following common definition of additionality:

"Lottery funding is distinct from government funding and adds value. Although it does not substitute for Exchequer expenditure, where appropriate it complements government and other programmes, policies and funding."

We have regard to the principles of additionality and this policy when we set the strategic objectives of our Lottery-funded programmes and when we decide how each programme will operate. We have, and will continue to use, Lottery funding to fund specific, time-limited activity that would not take place without the support of Lottery.

4.0 Sustainability Report

Sport NI is committed to practices and procedures that minimise impacts on the environment and has continued to make good progress in becoming a more sustainable organisation while still focusing on “making sport happen.” For example, the Sport NI Procurement Policy seeks to implement the Department of Finance procurement guidance note in integrating social considerations into contracts where appropriate.

Sport NI strategy encourages its staff 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.

5.0 Ethical Practices

Sport NI is committed to ensuring that its policies, procedures and services which it receives from third parties respect human rights, promote equality and manage the risk of fraud, anti-bribery and corruption. Sport NI utilises Central Procurement Directorate on procurement which has policies in place to assist with ethical practices.

6.0 Social & Community Issues

Sport NI supports charitable giving. The staff fund, which operates outside of Sport NI funding, makes charitable donations each year.

7.0 Research and Development

Sport NI has no activities in relation to the research and development of assets.

8.0 Political and Charitable Donations

Sport NI made no such donations during 2017-18 (2016-17: NIL).

9.0 Payment of Suppliers

Sport NI 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 2017-18 84% (2016-17: 88%) of invoices were paid within 10 working days and 99% (2016-2017: 100%) of invoices were paid within 30 days.

10.0 Pension Fund

All assets, liabilities and operating costs of Sport NI’s pension scheme are recorded in the Sport NI Exchequer Account. Details of pension liabilities can be found in the Remuneration and Staff Report of the Sport NI Exchequer Account.

11.0 Interest Rate and Currency Risk

Sport NI has no borrowing, relying on funds held in the National Lottery Fund Distribution Account for its cash requirements and is therefore not exposed to liquidity risks. As all significant assets and liabilities are determined in Sterling, it is not exposed to material interest rate or currency risk.

12.0 Accounts and Appointment of Auditors

Sport NI is required to prepare a statement of accounts for each financial year in accordance with sections 35(2) and 35(3) of the National Lottery etc. Act 1993.

The financial statements are also prepared in accordance with:

- The form directed by the Secretary of State for Culture, Media and Sport with the consent of the Department for Communities in Northern Ireland and the approval of HM Treasury in accordance with Section 35(2) – (3) of the National Lottery et. Act 1993; and
- 2017-18 Government Financial reporting Manual issued by HM Treasury.

The Department for Communities issued Lottery Policy Directions to Sport NI on 16 April 2008, a copy is attached at Appendix A.

Under the National Lottery etc. Act 1993, in particular Section 35(5), the Comptroller and Auditor General audits the financial statements of each of the National Lottery distributing bodies. The Northern Ireland Audit Office (NIAO) complete this audit on behalf of the National Audit Office (NAO). Once complete, the NAO is responsible for laying the audited accounts before Parliament.

The fee for the audit of these financial statements was £47,000 (2016-17: £45,500). This cost is included in Other Operating costs in the financial statements. Sport NI did not purchase any non-audit services from its external auditor.

The Comptroller and Auditor General published a separate report on governance issues in Sport NI early in 2020. The Chief Executive, as Accounting Officer, will lead on addressing the issues arising from this report.

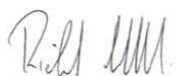
13.0 Disclosure of Relevant Audit Information

So far as the Accounting Officer is aware, there is no relevant audit information of which Sport NI's auditors are unaware. The Accounting Officer has taken all steps that he ought to have taken to make himself aware of any relevant audit information and to establish that Sport NI's auditors are aware of that information.

14.0 Complaints Handling

Sport NI operates a complaints procedure to handle general complaints about our service. Complaints can be made informally by telephone or formally in writing.

Further information on the complaints procedure can be found on the Sport NI website at: [Raising-a-Concern-Framework.pdf \(sportni.net\)](https://sportni.net/Raising-a-Concern-Framework.pdf)



Richard Archibald
Accounting Officer
Sports Council for Northern Ireland

Date: 5 December 2024

ACCOUNTABILITY REPORT

Corporate Governance Report

Introduction

The Corporate Governance Report explains the composition and organisation of Sport NI's governance structures and how they support the achievement of the entity's objectives. The report begins with a Directors' Report which sets out the composition of the Board and a Statement of Accounting Officer's Responsibilities in respect of the preparation of the accounts. It concludes with the Governance Statement which sets out how the Accounting Officer's duties in relation to internal control and the safeguarding of public funds and Sport NI's assets have been carried out through the financial year and includes an assessment of the corporate governance and risk management systems in place within Sport NI.

Directors' Report

Board Members of Sport NI and Members of its Committees

The Board of Sport NI consists of a Chair and Vice-Chair and other Members appointed by the Minister for Communities, after a selection and recruitment process that is carried out by Department for Communities.

The following persons served as members during the financial year 2017-18.

Mr. G Lucas – (Chair) (appointed February 2017)
Mr. J Colville – (Vice-Chair) (appointed February 2017, resigned June 2023)
Ms. A Bingham (completed term March 2018)
Ms J. Bryson (appointed February 2017, resigned January 2021)
Mr R Bullick (appointed April 2014, resigned March 2024)
Ms. W Erskine (appointed January 2016, resigned August 2022)
Mr. K Ferguson (appointed January 2016, resigned June 2024)
Mr. K Harding (appointed January 2016, resigned June 2024)
Ms. C McStravick (resigned February 2018)
Dr. C O'Mullan (appointed January 2016, resigned December 2020)
Mr. D. Petticrew (appointed February 2017, resigned March 2022)
Ms. S. Weir (appointed February 2017, resigned May 2019)

Audit and Risk Assurance Committee

The members of the Committee were:

Mr. J. Colville (appointed June 2017)
Mr. K. Ferguson (appointed June 2017)
Mr. K. Harding (resigned December 2021)
Mr. M. Matthews (appointed November 2017)
Dr. C. O'Mullan (appointed June 2017)
Mr. D. Petticrew (appointed June 2017)

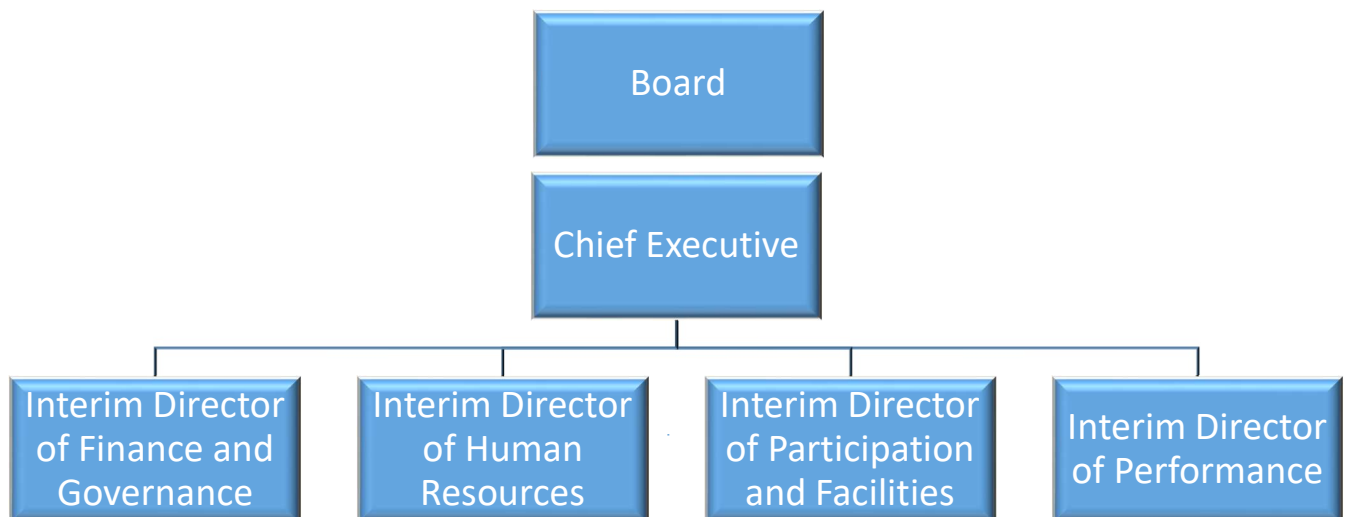
Board Directorships or Other Interests

Note 21 within the financial statements details any interests held by Sport NI Board Members. The register of interests can be seen at <http://www.sportni.net/about-us/register-of-interests>.

Chief Executive

The Chief Executive, Antoinette McKeown, is the Accounting Officer and leads Sport NI supported by four executive directors heading each of the departments within the organisation. Further information on the Chief Executive is contained within the Governance Statement. Due to the unavailability of the Chief Executive at the time of signing an interim Chief Executive and Accounting Officer, Richard Archibald, was appointed by the Department for Communities (DfC).

Organisation Structure (2017-18)



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

In retaining the requisite skills mix, Sport NI has in place a comprehensive skills and training analysis framework, through the performance appraisal process, which serves to identify skills and experience needs, fulfil these and match these with the requirements of the organisation in the delivery of its strategic priorities.

Work on organisational restructuring due to begin under the “Pitch Perfect” Transformation Programme was impacted in 2015-16 due to the absence of the Chief Executive. During 2016, a business case was submitted to the Department for Communities to address significant findings from a range of Interim Executive Leadership reports highlighting gaps in Sport Councils governance, leadership, culture, policies, systems and processes. A transformation programme was led by the Interim Chief Executive however this did not include restructuring. Work on the restructuring resumed in 2019.

Personal Data

There were no reportable incidents during the year. An iPad and iPhone were reported lost during 2017-18. Each device was remotely wiped and following investigation under formal data loss procedures, no loss incurred. There was one subject access request outstanding at March 2018 which exceeded legislative timelines and was resolved in 2019-20.

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

Sport NI is required to prepare a statement of accounts for each financial year in the form directed by the Secretary of State for Culture, Media and Sport (DCMS) with the consent of the Department for Communities in Northern Ireland and the approval of HM Treasury in accordance with section 35(2) - (3) of the National Lottery etc. Act 1993 (as amended) and the Lottery Accounts Directions issued by the Department for Communities on behalf of the Department for Culture, Media and Sport (DCMS).

The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of Sport NI Lottery Account and of its income and expenditure, statement of financial position, changes in taxpayers' equity, and cash flows for the financial year.

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

- observe the Accounts Direction issued by Department for Communities on behalf of the Secretary of State for the Department for Culture, Media and Sport, 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;
- make judgments and estimates on a reasonable basis;
- state whether applicable accounting standards as set out in the Government Financial Reporting Manual have been followed, and disclose and explain any material departures in the financial statements; and
- prepare the accounts on a going concern basis.

The Accounting Officer for the Department for Communities has appointed the Chief Executive of Sport NI as the Accounting Officer for Sport NI. The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which the Accounting Officer is answerable, for keeping proper records and for safeguarding Sport NI's assets, are set out in the Non-Departmental Public Bodies' Accounting Officer Memorandum, which is issued by the Department of Finance and published in Managing Public Money published by HM Treasury; and in the Financial Directions issued by Department for Communities on behalf of the Secretary of State for Culture, Media and Sport under s26(3) of the National Lottery etc. Act 1993 (as amended).

So far as the Accounting Officer of Sport NI is aware, there is no relevant audit information of which Sport NI's auditors are unaware. Given issues relating to corporate memory, the Accounting Officer has taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that Sport NI's auditors are aware of that information.

I hereby confirm that the annual report and accounts as a whole are fair, balanced and understandable, and that I take personal responsibility for the annual report and accounts and the judgements required for determining that they are fair, balanced and understandable.

Governance Statement

1. Introduction

The purpose of the Governance Statement is to explain what arrangements Sport NI has in place to identify, evaluate and manage the risks to the achievement of objectives. Sport NI's Governance Statement is informed by the corporate risk register, bi-annual and annual assurance statements to the Department, management reports and findings from third party reviews.

2. Compliance and Structure of Governance

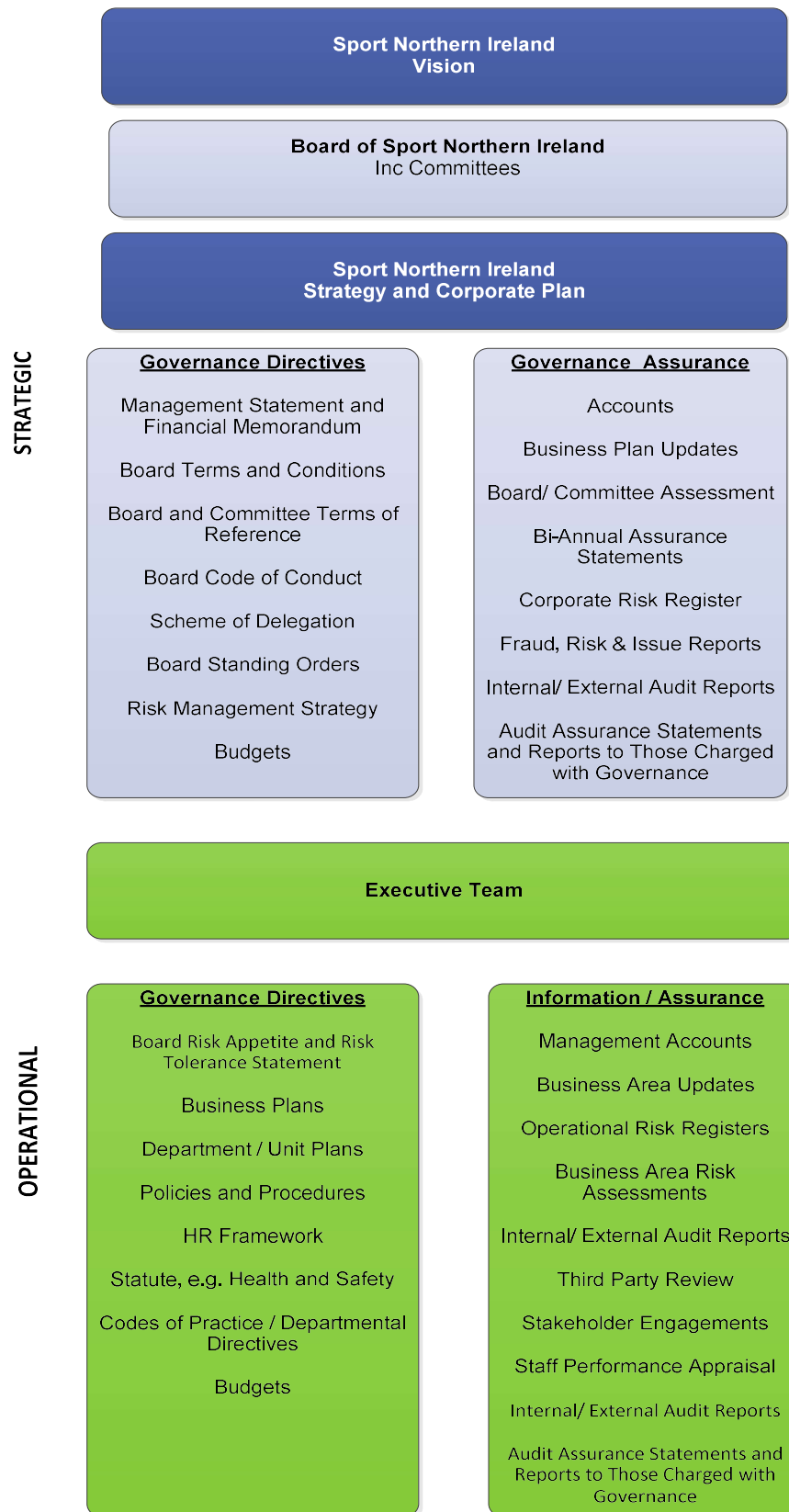
The governance framework comprises the systems, processes, culture and values, by which Sport NI is directed and controlled and the activities through which it accounts to and engages with the public and other stakeholders. It enables Sport NI to monitor the achievement of its strategic objectives and 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 Sport NI'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.

Sport NI is publicly accountable to the Department for Communities, the Department for Culture, Media and Sport and their Ministers for its performance and the use of its resources.

Sport NI's governance framework is predicated on the provisions laid out within its Management Statement and Financial Memorandum with its parent Department, the Department for Communities and 'Corporate Governance in Central Government Departments: Code of Good Practice NI 2013' ("the 2013 Code") as detailed below in Figure 1.

Figure 1 Sport NI's Governance Framework



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

Vision, Purpose and Intended Outcomes

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

Sport NI had a corporate plan for the period 2015-20 and has a current plan covering the period 2020-25. These plans adopted a Balanced Scorecard Approach enabling the employment of an "outcomes-based" approach in support of the new Programme for Government 2016-21. Driving the plans was our vision which was "Northern Ireland: renowned as a place where people enjoy, engage, and excel in sport".

This vision was supported by our mission at that time 'to lead world class sports development at all levels producing more participants and more winners. Sport NI sought to realise this vision through interventions that created Sporting Communities, identified and supported effective Sporting Clubs, and resourced and celebrated Sporting Winners.

The 2015-20 plan was based on projections that we would have resources of £100.3m for the period. In administering these resources, Sport NI focused on the changes needed across Northern Ireland to provide people and athletes with the conditions they require to participate, perform and succeed in sport.

Accounting Officer Role

The Accounting Officer of Sport NI is personally responsible for safeguarding the public funds for which they have charge; for ensuring propriety and regularity in the handling of those public funds; and for the day-to-day operations and management of Sport NI.

The Accounting Officer exercises the following responsibilities:

- Establish, in agreement with the Department for Communities (DfC) and Department for Culture, Media and Sport (DCMS), corporate and business plans in support of DfC's wider strategic aims and current Programme for Government objectives;
 - Inform the Departments of Sport NI's progress in helping to achieve the Departments' policy objectives and in demonstrating the use of resources to achieve those objectives;
 - Ensure timely forecasts and monitoring information on performance and finance are provided;
 - 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 the Department of Finance, the Department for Communities or the Department for Culture, Media and Sport;
 - Ensure that all relevant financial and non-financial information is provided to the Board in a timely fashion to ensure informed decisions are made and governing requirements complied with;
 - 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 an effective system of programme, project and contract management;
 - Ensure that all public funds made available to Sport NI including any income or other receipts, are used for the purpose intended, expended in compliance with governing requirements and are used economically, efficiently and effectively;
 - Ensure compliance with all governing directions issued by the Department of Finance, Department for Communities or the Department for Culture, Media and Sport; and
- Ensure the existence of proper accounting records.

Board

The Board is the ultimate place for decision-making on new policy, strategic planning, budgets and organisational performance. Our arrangements are covered by a range of governance directives including the Management Statement and Financial Memorandum/Partnership Agreement, Scheme of Delegation, Terms of Reference and Board Standing Orders.

The principal role of the Board is the stewardship of all public resources entrusted to Sport NI to aid the realisation of the policies and priorities of the Minister for Communities in Northern Ireland, the Northern Ireland Executive and the Minister for Culture, Media and Sport.

Sport NI's Board met on 13 occasions during 2017-18 to discuss and consult on key strategic matters. Attendance by Board Members was 74% compared to 82% for the previous year. These included strategic planning, approval of corporate and business plans, delivery of the Transformation Programme, key strategic investment programmes, budgeting, stewardship reporting, risk management and governance, advising on and overseeing on key policies such as Governing Body recognition and performance review.

The Boards attendance during 2017-18 was as follows:

Name	Apr 17	May 17	Jun 17	Jun 17	June 17	July 17	Aug 17	Sept 17	Oct 17	Nov 17	Dec 17	Jan 18	Mar 18
G Lucas	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
J Colville	x	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
B Delaney	✓	✓	x	✓	x	x	✓	✓	✓	✓	✓	x	✓
C O'Mullan	✓	✓	x	x	✓	✓	✓	✓	✓	x	✓	✓	✓
A Bingham	x	x	x	x	x	x	✓	✓	✓	x	✓	x	✓
R Bullick	✓	✓	x	✓	x	✓	✓	✓	✓	✓	✓	✓	✓
W Erskine	✓	✓	x	✓	x	✓	✓	x	x	✓	✓	✓	x
K Harding	✓	✓	x	✓	x	✓	x	x	x	✓	x	✓	✓
K Ferguson	✓	✓	✓	✓	✓	x	✓	✓	✓	✓	✓	x	✓
C McStravick	x	✓	x	✓	x	x	✓	✓	✓	x	x	x	n/a
J Bryson	✓	✓	✓	✓	x	✓	✓	✓	✓	✓	✓	✓	x
S Weir	✓	✓	x	✓	✓	✓	✓	✓	✓	x	✓	✓	✓
D Petticrew	✓	✓	✓	x	✓	✓	✓	✓	✓	✓	✓	✓	✓

Board Effectiveness

A self-assessment was undertaken in March 2018. This covered the two-year period from 1 April 2016 to 31 March 2018 and was formally reported to the Board on 13 June 2018. In February 2019, the self-assessment was reviewed, revised and resubmitted to the Department for Communities. This evaluation uses the National Audit Office checklist to provide an indication of compliance with Corporate Governance in central government departments: Code of good practice NI 2013 (DAO 06/13). Based on this evaluation and assurance work undertaken by Internal Audit, Sport NI met the requirements of the guidance.

The Board also took assurance from a Project Assessment Report (PAR) into the Transformation Programme undertaken by an independent team engaged by the Department of Finance in October 2017. The review provided an Amber / Green confidence assessment, and which highlighted that the majority of the 116 recommendations made by the Interim Executive Leadership Team had been completed with outstanding tasks having moved into business as usual. The review team also identified indicators of a healthy organisation.

The Board's role is to provide leadership of Sport NI within a framework of prudent and effective controls which enables risk to be assessed and managed. It functions to ensure that Sport NI acts in the public interest at all times and that its obligations to its stakeholders and others are understood and met.

The Board fulfils its accountability role by setting the Sport Councils strategic aims, assessing assurances that the necessary financial and human resources are in place to meet objectives and regularly reviewing and where necessary challenging organisational performance.

Information to the Board

Critical to this accountability obligation is the availability of good quality and well-timed information. The positive conclusions of an Internal Audit review in 2016-17 into the quality of information provided to the Board has provided them with assurance that the requisite information is provided to them to support them in their strategic oversight of Sport NI. The Board considered the information it receives to be of sufficient quality for effective decision making. The Chair is fully briefed in advance of each Board meeting contributing to more effective Board decision making.

Audit and Risk Assurance Committee

The Board is supported by an Audit and Risk Assurance Committee. This Committee met on five occasions during 2017-18. Attendance by Members was 87% compared to 84% for the previous year.

The Audit and Risk Assurance Committee supports 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. A qualified accountant was appointed as an independent member to the committee to fulfil HM Treasury Audit Committee Handbook requirements.

Audit committee attendance by members was as follows:

Name	Jun 17	Aug 17	Nov 17	Dec 17	Mar 18
J. Colville (Chair)	✓	✓	✓	✓	✓
K Harding	✓	✓	✓	✓	✓
A Bingham	x	n/a	n/a	n/a	n/a
K Ferguson	✓	x	✓	x	✓
K Godfrey	x	n/a	n/a	n/a	n/a
D Malcolm	x	n/a	n/a	n/a	n/a
M Matthews	n/a	n/a	✓	✓	✓
C McStravick	x	n/a	n/a	n/a	n/a
C O'Mullan	x	✓	✓	x	✓
D Petticrew	✓	✓	✓	✓	✓
G. Troughton	✓	✓	n/a	n/a	n/a

The work of the Audit and Risk Assurance Committee during 2017-18 was informed through review and consideration of a range of assurances on governance, risk and control which included:

- Comprehensive updates from internal audit;
- Review of key risk and associated mitigation measures
- Chief Executive's assurance statements;
- Fraud and irregularity updates;
- Updates on new guidance and directives issued by the Department of Finance, Department for Culture, Media and Sport or HM Treasury, and their application;
- Direct awards approvals; and
- Gifts and hospitality approvals.

In discharging its responsibilities to the Board, the Committee:

- Considered business performance data and advised the Board accordingly;
- Considered Sport NI Lottery and Exchequer Accounts and supported the Board with its stewardship responsibilities;
- Considered the planning and timetable for accounts including Northern Ireland Audit Office audit strategies and advised the Board;
- Considered the financial position of Sport NI including the National Lottery Distribution Fund and advised the Board.
- Considered and informed the Annual Governance Statement and advised the Board accordingly.

In March 2015, and subsequent years, a number of risks materialised which were subject to departmental and other independent reports. These risks had not been identified or considered by the Audit and Risk Management Committee.

Remuneration Committee

The Board is also supported by a Remuneration Committee. This Committee is appointed by the Chair of the Board and consists of four members. It supports the Board providing assurances on the appraisal of the Chief Executive. The Committee met in November 2017.

Executive Team

The Executive Team during 2017-18 consisted of four interim Directors and the Chief Executive, who met monthly. It is responsible for the operational leadership of Sport NI in pursuance of the strategic objectives as defined by the Board.

In August 2017, the Director of Participation and Facilities left under Interchange. The Chief Executive assumed oversight of this Directorate for the remainder of the year.

Executive Team meetings during 2017-18 covered normal scheduled business including; communications; finance; governance; and human resources as well as Performance Sport and Participation unit updates. Relevant non-members were invited to attend for specific items over the course of the year, for example for business planning, research development and capital investments.

Finance and Governance Committee

This Committee comprises the Directors, chaired by the Chief Executive, and its purpose is to support the Chief Executive through active dialogue and reporting on matters pertaining to financial management, internal control, risk and governance. Specific aspects of the Committee's work include reviewing the deployment of financial resources, ensuring sound systems of control and risk, overseeing compliance and managing the dissemination of key information.

Human Resources Committee

This Committee comprises the Directors chaired by the Chief Executive. Its purpose is to support the Executive in effective Human Resources oversight in the delivery of business priorities.

3. Business Planning, Risk Management and Assurance

Business Planning

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

Risk Management

Sport NI assesses how the achievement of its policies, aims and objectives might be affected by the risks it faces, and a system of internal control is designed which mitigates those risks. The system is not designed to eliminate all risk but to strike a balance between control, cost of control and appropriate risk taking. A system of internal control has been in place for the whole of 2017-18.

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

The Corporate Risk Register is compiled and managed by the Executive Team, and overseen by the Board. It facilitates the identification, assessment and ongoing monitoring of risks significant to Sport NI. During 2017-18, the Corporate Risk Register was a standing item at each meeting of the Executive Finance and Governance Committee, the Audit and Risk Assurance Committee and the Board.

Areas of particular focus during 2017-18 were as follows:

- **Absence of Chief Executive**

The Chief Executive of Sport NI was suspended in March 2015, dismissed in November 2016 and subsequently re-instated in June 2017. The Chief Executive lodged a case with the Fair Employment Tribunal. This case was settled prior to hearing. In the absence of the Chief Executive, the Department for Communities appointed interim Chief Executives and Accounting Officers, as detailed in the Remuneration Report.

- **Transformation Programme**

During 2016-17, new management arrangements were introduced which fostered and instilled the high standards of governance and public accountability that will be required to take the organisation forward.

This was predicated on the work by the Interim Executive Leadership Team (IELT) which was established by the then Minister of Culture, Arts and Leisure. The IELT led on a review of Sport NI subsequent to which a series of recommendations were presented which the Board took forward through a Transformation Programme.

The Transformation Programme gave rise to a significant body of work, which continued to be embedded and changed the way that Sport NI operates, for example, On-Boarding to IT Assist exploration of On-Boarding to Account NI, and systematic improvements to governance, risk management and internal control. Through the Transformation Programme, for example, Sport NI has put in place a suite of HR Policies that reflect best practice, revised our procurement policy, procedures and practices. In addition, Sport NI has ensured that there are robust whistleblowing and raising concern policies and established an Internal Communications Strategy.

An independent review into the delivery of the Transformation Programme provided for a confident assessment of amber/green and stated that staff had an appetite for more radical change. Sport NI continued to actively progress the outworking of this Transformation Programme with a clear route map for change. This embedded new practices and developed further work on culture change, leadership skills and organisational restructuring.

- **Board Resignations**

Nine board members resigned in 2015-16, including the Chair and Vice-Chair. The Minister for Communities, (formerly Minister for Culture, Arts and Leisure) co-opted three senior civil servants to support the Board, and appointed Mr. B Delaney and Dr. C O'Mullan to the position of Interim Chair and Interim Vice-Chair respectively, until permanent appointments were made on 1 February 2017. The senior civil servant co-option ended in June 2017.

- **Delay in the Publication of the Annual Report and Accounts**

For a period, the publication of Sport NI's financial statements were delayed by a lack of expertise on accounts preparation to recognised public sector standards. As a result, currently the 2017-18 to 2023-24 accounts remain in backlog, with the 2015-16 accounts certified in 2023-24 and 2016-17 accounts certified in 2024-25. In conjunction with the NIAO, Sport NI is endeavouring to complete the remaining outstanding Lottery Annual Reports within the 2024-25, and 2025-26, financial years. This work remains a priority for the organisation and when completed will see a return to a regularised position with the regard to publication of Sport NI's Lottery Annual Reports.

Sport NI undertook an extensive review, as requested by the Permanent Secretary, of the reasons why this backlog has occurred to ensure that future financial statements are both of a high quality and submitted on a timely basis. A final "Lessons Learnt" was submitted to the Department for Communities and the NIAO in June 2019, following board endorsement. The review found a range of complex and inter-related issues impacting the annual accounts being published, which were exacerbated by the 2014-15 accounts not being submitted initially, creating a "knock-on" effect. Principal reasons for the delays included the following;

- Governance issues within Sport NI from March 2015 to July 2017 (Northern Ireland Audit Office prepared a separate report on these matters);
- A lack of expertise, in Sport NI at various times over the period, on the preparation of financial statements to recognised public sector standards;
- Difficulty in retaining corporate knowledge and memory on issues with regards the 2014-15 financial statements in particular;
- Difficulties faced by Sport NI in being able to provide documentation to support the Grants payable and decommitments balances included within the 2015-16 accounts; and,
- Northern Ireland Audit Office giving priority to other audits as Sport NI failed to meet the audit timetable.

- **Voluntary Exit Scheme**

During 2017-18, 15 members of staff left under the Voluntary Exit Scheme (VES). While staff exit is subject to careful management and planning, this does impact the organisation not only in terms of reassigning tasks but also the loss of knowledge and experience built up over many years. The Executive Team with oversight and concurrence of the Board will be leading on future exit initiatives.

- **Information Governance**

An Information Governance Manager was appointed on 27 April 2017 to lead the Information Governance unit and the implementation of an action plan to ensure compliance with the Lord Chancellor's Code of Good Practice in Records Management issued under section 46 of the Freedom of Information Act 2000 and readiness for the introduction of the General Data Protection Legislation in 2018.

The Information Governance unit provides support and assistance to staff and members. During 2017-18 this unit led on the project to ready Sport NI for the introduction of GDPR in May 2018. Sport NI has also worked closely with governing bodies of sport to assist them in preparatory work in advance of the introduction of GDPR.

- **Information Security**

Sport NI takes seriously its responsibility in relation to managing business and personal data. Over the period of the 2015-20 corporate plan, Sport NI introduced a number of new controls. These controls included the establishment of an Information Governance Unit within the organisation. The outsourcing of Sport NI's IT infrastructure to IT Assist (please see below) also contributes to risk management in relation to the handling of data.

- **IT Assist**

As part of the Department of Finance's Digital Shared Services support and management of Sport NI's IT Infrastructure is now provided by IT Assist. This provides Sport NI with access to specialist support and assistance ensuring that IT risks are understood and managed. Cyber resilience and security continue to feature in our risk management discussion and reporting. There have been no data breaches which required to be notified to the Information Commissioner.

- **Fraud**

There were no incidents of fraud to report in 2017-18.

4. Governance and Accountability within an Arm's Length Body (ALB)

Sport NI is an ALB of the Department for Communities. The Accounting Officer is accountable to the Department for the effective and compliant deployment of financial resources.

The business operations of Sport NI are governed by a Management Statement and Financial Memorandum which defines the relationship between the Department and Sport NI, and articulates the financial and administrative framework within which Sport NI operates. This document was superseded by a Partnership Agreement in September 2022.

Accountability is embedded into the governance framework of Sport NI. Accountability arrangements also include regular reporting to the Department for Communities and the Department for Culture, Media and Sport, and completion of Stewardship reports which inform quarterly accountability meetings with senior departmental officials.

5. Internal Audit

The achievement of strategic objectives is predicated on good governance, sound systems of internal control and risk management and timely assurance. Timely and meaningful assurance provides confidence that opportunities are being exploited and risks are being managed in order that strategic priorities can be delivered in an efficient and effective manner.

The Internal audit function is a key line of defence and assurance. The role of internal audit 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.

Sport NI outsources its internal audit function. During 2017-18, KPMG were the internal auditors appointed by the Audit and Risk Assurance Committee to carry out the approved audit plan. The internal auditor attended five meetings of the Audit and Risk Assurance Committee during 2017-18.

Internal Audit provided an independent opinion on the adequacy and effectiveness of Sport NI systems of internal control, corporate governance and risk management, together with recommendations for improvement. The overall assurance rating for 2017-18 was 'Satisfactory'. Implementation of Voluntary Exit Scheme review had one 'Priority 2' and one 'Priority 3' recommendations which were accepted by management. The 'Priority 2' recommendation related to the accuracy of calculation of compensation payments; Sport NI has put in place control measures to ensure that all calculations are sufficiently reviewed and audited prior to notification of staff.

23 of 48 recommendations have been accepted by management and implemented by June 2018. The remaining recommendations have been addressed since. The status of Internal Audit recommendations is regularly reported to the Audit and Risk Assurance Committee.

6. External Audit

The UK National Audit Office (NAO) is the appointed external auditor of the financial statements of Sport NI Lottery Account. Their function is to audit and report on the financial statements to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of regularity, the accounting policies, significant accounting estimates and identifying any material inconsistencies in the Annual Report with the audited financial statements. The Northern Ireland Audit Office (NIAO) complete the audit on behalf of NAO.

As a result of the issues outlined in the risk management section of the Governance Statement, there has been a delay in the publication of Sport NI's, Lottery financial statements which has meant that NIAO has been unable to complete its audit. The expected timetable for completion of the audit of remaining backlog financial statements is during the 2024-25 and 2025-26 financial years.

7. Review of Effectiveness of Internal Governance

The Accounting Officer has responsibility for reviewing the effectiveness of the system of internal control.

This review is informed by the work of the Internal Auditor, the NIAO, The Executive Team and Executive Committees and the Audit and Risk Assurance Committee.

Key risks which could affect the achievement of Sport NI's objectives are managed actively under the risk management arrangements described above, with progress being reported regularly to the Audit and Risk Assurance Committee.

Sport NI recognises that additional work and investment is required to bring the organisation's information systems up to date to enhance management information informing strategic decision-making.

8. Emerging Issues

Challenges outlined in the Risk Management section above continued to carry risks which required active management throughout the 2017-18 financial year. In particular, the dismissal of the Chief Executive and associated legal challenge, completion of outstanding annual accounts and implementation of new strategic investment programmes.

Sport NI was mindful that challenges lay ahead that would influence how it delivered on its objectives. Key challenges included:

- **Absence of Chief Executive**

The Chief Executive of Sport NI was suspended in March 2015, dismissed in November 2016 and re-instated on 31 July 2017 on appeal and has remained in post. The Chief Executive lodged a case with the Fair Employment Tribunal. This case was settled prior to hearing. In the absence of the Chief Executive, the Department for Communities appointed interim Chief Executives and Accounting Officers, as detailed in the Remuneration Report and below.

From 15 July 2015, Arthur Scott, a senior civil servant, was designated by the Department for Communities as Interim Chief Executive and Interim Accounting Officer. Another senior civil servant, Maggie Smith, was appointed by the Department for Communities as Interim Chief Executive and Interim Accounting Officer of Sport NI from 1 May 2016 to 31 July 2017.

- **National Lottery Balances**

In 2017-18 a temporary decline in lottery ticket sales resulted in Sport NI not introducing any additional grant programmes until the impact could be further assessed. Subsequently the lottery tickets sales increased, and Sport NI have not fully utilised the increase in NLDF balances. The latest NLDF policy, approved in March 2023, plans to reduce the £17.9m balance to £1m by 2027-28.

- **Arm's Length Bodies review**

The Department for Communities commenced a review of all its arm's length bodies which has not been completed due to the dissolution of the Assembly. Any subsequent decision arising from the review will require approval by the Minister.

Departmental Strategic Review

The Department for Communities has employed Deloitte to conduct a strategic review of Sport NI to identify and understand the cause of the governance and control issues, with a focus on the roles and responsibilities of the Sport NI Board and Executive Leadership Team (ELT). A report is anticipated in Autumn 2024.

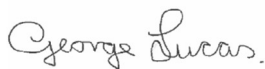
9. Conclusion

Given the unavailability of the Chief Executive, this statement has been signed by both the Interim Chief Executive, in the capacity of Accounting Officer, and the Chair of Sport NI Board.



Richard Archibald
Accounting Officer
Sports Council for Northern Ireland

Date: 5 December 2024



George Lucas
Chair
Sports Council for Northern Ireland

Date: 5 December 2024

Remuneration and Staff Report

Introduction

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

1.0 Remuneration Report

1.1 Remuneration Policy

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

Within Sport NI, the Chief Executive is employed on terms analogous to Senior Civil Service Grade 5. The pay remits for the Chief Executive for 2014-15 to 2020-21 were approved by Department of Finance and paid in February 2023.

The Remuneration Committee is responsible for approving the Chief Executive's salary and assessing performance. Membership includes the Chair of the Sport NI Board. The remuneration committee met in November 2017. All other senior staff positions above Deputy Principal follow the NICS pay and grading spine policy. The Chief Executive assesses the performance of Directors.

1.2 Service Contracts

Sport NI 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. 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 Sport NI Staff Handbook and individual Terms and Conditions of Employment.

1.3 Salary

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

1.4 Benefits in kind

There is a PAYE Settlement Agreement in place which covers the payment of tax and NIC in respect of all luncheon vouchers paid to staff; and Income Tax and Class 1B National Insurance Contributions for travel and subsistence expenses of part time office holders.

1.5 Salary, Bonus, Benefit in Kind and Pension Entitlements – Senior Staff (Audited Information)

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

	2017-18					2016-17				
Employee	Salary £'000	Bonus £'000	Benefits in kind (To nearest £100)	Pension Benefits (to nearest £1,000)* £'000	Total £'000	Salary £'000	Bonus £'000	Benefits in kind (To nearest £100)	Pension Benefits (to nearest £1,000)* £'000	Total £'000
Antoinette McKeown Chief Executive	85-90	-	1,100	25	110-115	†100-105 (85-90 full year equivalent)	-	200	27	125-130
Maggie Smith** Interim Chief Executive (Appointed 1 May 2016 to 31 July 2017)	30-35 (70- 75 full year equivalent)	-	-	1	30-35	65 - 70 (70 – 75 full year equivalent)	-	-	18	80-85
Christine Kerr** Interim Director of Human Resources (Appointed 16 May 2016)	50-55	-	-	(1)	50-55	40-45 (45-50 full year equivalent)	-	-	13	55-60
Shaun Ogle ^φ Director of Performance (Vacated post 31 March 2018)	65-70	-	1,100	3	65-70	65-70	-	200	10	75-80
John News Acting Director of Participation (Appointed 18 May 2016, TP ended 31 July 2017) (Seconded to Armagh Planetarium from 1 August 17 – 28 Feb 2018)	15-20 (55-60 full year equivalent)	-	1,100	24	40-45	50-55 (55-60 full year equivalent)	-	200	48	95-100
Leigh Brown Acting Director of Finance and Governance (Appointed 18 May 2016)	55-60	-	1,100	10	65-70	50-55 (55-60 full year equivalent)	-	200	40	90-95

Fair Pay Disclosures	2017-18	2016-17 (Restated)
Range of Salaries	4-87	0-85
Band of Highest Paid Director's Total Remuneration	85-90	85-90
Median Total Remuneration	29,296	29,491
Ratio	2.99	3.0

†Includes holiday pay of £15k for A McKeown.

*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.

**During 2017-18 there were two Interim Senior Staff seconded to Sport NI. Salary details disclosed relate to charges invoiced by their employer (excluding VAT).

♠ Shaun Ogle was included within the staff leaving under the Voluntary Exit Scheme. The value of the payment made under the scheme for this member of staff was £162,941. The details of exit packages for all staff members during the period, including this Director, are detailed in section 9.0 on page 46.

1.6 Median Remuneration

Reporting bodies are required to disclose the relationship between the remuneration of the highest paid director in their organisation and the median remuneration of the organisation's workforce.

The median remuneration of the staff is the total remuneration of the staff member(s) lying in the middle of the linear distribution of the total staff, excluding the highest paid director. This is based on annualised, full-time equivalent (FTE) remuneration as at the reporting period date.

In 2017-18, 0 (2016-17: 0) employees received remuneration in excess of the highest-paid director. Total remuneration includes salary, performance pay and bonuses. It does not include employer pension contributions and the cash equivalent transfer value of pensions. Total remuneration is calculated on an annualised basis to remove any fluctuations caused by employee turnover, which do not reflect changes in pay policy.

The FTE measurement of staff is specified to ensure a level of comparability that would otherwise be distorted, if a member of staff represented a whole unit, irrespective of the hours worked.

The ratio is calculated as follows:

$$\frac{\text{Midpoint in highest paid director's pay band}}{\text{Median remuneration of Sport NI's staff}}$$

1.7 Board Members' Honoraria (Audited Information)

The Chair received honorarium during 2017-18 totalling £26,880, (2016-17: The Interim Chair received honorarium totalling £8,360, and Chair received £4,480). The Chair was recruited by the Department for Communities in February 2017. The increase was to more fairly reflect the actual workload required in the role at that time, in particular, related to the issues detailed in the Governance statement. The Chair's honorarium was not directly recharged to the Lottery Distribution Account during 2017-18. The Vice-Chair received £3,500 (2016-17: The Interim Vice-Chair received £2,926 and Vice Chair received £583). These costs are included in Sport NI Exchequer Account. Board Member's honoraria was not directly recharged to Sport NI Lottery Account during 2017-18.

No emoluments were paid to other Sport NI Board members in respect of Sport NI Lottery Account activities. No pension contributions were made for the Chair or Vice Chair as they did not meet the relevant criteria for auto enrolment.

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

1.8 Bonuses

No bonus payments for performance were made in 2017-18 (2016-17: NIL).

1.9 Exit Packages (Audited Information)

During 2017-18, one Director exited via Sport NI's Voluntary Exit Scheme. The details of exit packages for all staff members during the period, including Directors are detailed in section 9.0.

1.10 Sport NI Pensions (Audited Information)

Sport NI participates in the Northern Ireland Local Government Officers' Superannuation Committee Scheme (NILGOSC) and made contributions for 110 employees. All assets, liabilities and operating costs relating to the pension scheme are processed through the Sport NI Exchequer Account. A recharge is made to the Sport NI Lottery Account for any pension costs incurred on its behalf. During the year 21 staff were recharged to Lottery.

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

Employee contribution rates are based on pensionable pay. For 2017-18 the rates were as follows:

Band	Range	Contribution Rate
1	£0 - £14,100	5.5%
2	£14,101 - £21,500	5.8%
3	£21,501 - £35,900	6.5%
4	£35,901 - £43,400	6.8%
5	£43,401 - £85,800	8.5%
6	>£85,800	10.5%

The employer contribution rate for 2017-18 was 18%.

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 and section 3 below.

Secondes were members of the PCSPS(NI), further details of the scheme can be found at <https://www.finance-ni.gov.uk/publications/civil-service-pensions-information>.

Pension Entitlements (Audited Information)

Employee	Accrued pension at pension age as at 31/3/18 and related lump sum	Real increase in pension and related lump sum at pension age	CETV at 31/3/18	CETV at 31/3/17	Real increase in CETV
	£'000s	£'000s	£'000s	£'000s	£'000s
Antoinette McKeown Chief Executive	5-10 plus NIL lump sum	0-2.5 plus NIL lump sum	85	64	12
Shaun Ogle Director of Performance	25-30 plus 55-60 lump sum	0-2.5 plus (0-2.5) lump sum	582	547	13
John News Acting Director of Participation (1 April 2017 – 31 July 2017)	15-20 plus 25-30 lump sum	0-2.5 plus (0-2.5) lump sum	239	229	2
Leigh Brown Acting Director of Finance and Governance	15-20 plus 15-20 lump sum	0-2.5 plus (0-2.5) lump sum	174	156	5
Christine Kerr Interim Director of HR	15-20 plus 45-50 lump sum	0-2.5 plus (0-2.5) lump sum	349	334	(6)
Maggie Smith Interim Chief Executive	20-25 plus 60-65 lump sum	0-2.5 plus 0-2.5 lump sum	539	532	1

1.11 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.

1.12 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.

2.0 Staff Report

2.1 Number of Directors (Audited Information)

Director's Salary (Actual)	2017-18	2016-17
£5,000-£10,000		
£10,000-£15,000		
£15,000-£20,000	1	
£20,000-£25,000		
£25,000-£30,000		
£30,000-£35,000	1	
£35,000-£40,000		
£40,000-£45,000		
£45,000-£50,000		1
£50,000-£55,000	1	
£55,000-£60,000	1	2
£60,000-£65,000		
£65,000-£70,000	1	3
£70,000-£75,000		2
£75,000-£80,000		
£80,000-£85,000		
£85,000-£90,000	1	1
£90,000-£95,000		
£95,000-£100,000		
Total Number of Directors	6	9

The table above includes temporary secondments to Sport NI. Full year equivalent details are provided in the table per section 1.5 above.

2.2 Staff Numbers and Costs (Audited Information)**2.2 (a) Staff Costs**

	2017-18	2017-18	2017-18	2016-17
	£	£	£	£
	Recharged	Direct	Total	Total
Wages and Salaries	715,939	(15,005)	700,934	870,241
Social Security Costs	66,715	(1,258)	65,457	83,862
Pension Costs	143,704	(3,166)	140,538	176,268
Agency Costs	785	13,754	14,539	25,383
Total	927,143	(5,675)	921,468	1,155,754

2.2 (b) Average Number of Persons Employed (Audited Information)**Sport NI**

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

Number	2017-18			2016-17
	Permanently Employed Staff	Others	Total	Total
Directly employed	92	8	100	110
Agency/Secondment	-	18	18	13
Total	92	26	118	123

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

Sport NI Lottery Account

The average number of whole-time equivalent persons employed during the year working on the Sport NI Lottery Account was as follows:

Number	2017-18			2016-17
	Permanently Employed Staff	Others	Total	Total
Directly employed	20	-	20	27
Agency staff	-	1	1	-
Total	20	1	21	27

2.3 Chief Executive's Remuneration (Audited Information)

The remuneration received by the Chief Executive during the year was £84,760 (31 March 2017: £99,362). The Chief Executive also received a one-off payment in 2017-18 of £1,078 in respect of the buyout of luncheon vouchers. The Chief Executive continued to receive full remuneration during the period of her absence outlined in the Governance Statement on page 33. The remuneration received by Interim Chief Executive during the year was £33,176 exclusive of VAT (31 March 2017: £5,927 excluding VAT for Arthur Scott and £65,325 excluding VAT for Maggie Smith). There has been no direct recharge of the Chief Executive's salary to the Sport NI Lottery Account.

The Chief Executive is an ordinary member of the Northern Ireland Local government Officers' Superannuation Committee (NILGOSC) pension scheme.

3.0 Pension Costs and Commitments

Sport NI 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 funded, defined benefit scheme.

All assets, liabilities and operating costs relating to the pension scheme are processed through Sport NI Exchequer Account. A recharge is made to the Sport NI Lottery Account for any pension costs incurred on its behalf.

Details of the pension scheme are available within the Sport NI Exchequer Account. There have been no payments for civil service and other compensation schemes.

4.0 Staff Composition

The actual composition of staff employed by Sport NI at 31 March 18 was as follows:

	Male Directors	Male Employees	Female Directors	Female Employees
2017-18				
Directly Employed	2	52	1	53
Board*	-	-	-	-
Agency/Secondments	-	11	1	11
Total	2	63	2	64

	Male Directors	Male Employees	Female Directors	Female Employees
2016-17				
Directly Employed	3	51	1	55
Board*	-	-	-	-
Agency/Secondments	0	8	2	13
Total	3	59	3	68

*Board Members are employed by the Department for Communities. The Chair and Vice Chair are the only Members to receive honorarium from Sport NI.

5.0 Sickness Absence Data

The number of sick days reported in 2017-18 was 988.50 (2016-17: 1,419). Sport NI had an average of 8.5 days absence per full time equivalent person in 2017-18 (2016-17: 12.2 days).

6.0 Staff Policies Applied During the Financial Year

6.1 Employee Consultation

On matters of policy and procedure, which affect the employees of Sport NI, 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.

During 2017-18 Sport NI implemented a new Performance Management Policy in consultation with NIPSA.

6.2 Equality of Opportunity

Sport NI is committed to the development of positive policies to promote equal opportunity in employment based on practices which are non-discriminatory as between people of differing abilities, religion, political view, nationality, race, colour or sex including sexual orientation. An equal opportunities policy has been in place since March 2004 and was last reviewed in July 2016.

6.3 Employees with a Disability

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

6.4 Health and Safety

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

6.5 Trade Union Relationships

Sport NI liaises with local trade union representatives on an ongoing basis and also regularly holds formal JNCC (Joint Negotiating and Consultative Committee) meetings. Sport NI and the trade union (NIPSA Northern Ireland Public Service Alliance) have a Recognition and Procedural Agreement in place.

6.6 Human Capital Management

Sport NI is committed to creating a diverse workforce as it recognises the value this brings to the organisation. Sport NI values and develops its staff members through a broad range of training programmes.

7.0 Expenditure on Consultancy

Sport NI Lottery Account did not incur any direct consultancy costs, the following costs were incurred by Sport NI Exchequer Account during the year for consultancy.

	2017-18	2016-17
	£	£
Actuary Report	1,412	618
Total Expenditure on Consultancy	1,412	618

8.0 Off Payroll Disclosures

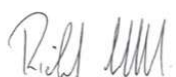
Off-payroll engagements are those where individuals, either self-employed or acting through a personal service company, are paid gross by the employer. In line with HM Treasury requirements, the Department of Finance requires disclosure of such engagements that cost more than £245 per day and that last for longer than 6 months. Sport NI had one off payroll engagements in 2017-18 in respect of the Interim Chief Executive. Salary details can be found above and details on their appointment can be found in the Governance Statement.

9.0 Reporting of Exit Packages (Audited Information)

	2017-18			2016-17
Exit Package Cost Band	Number of Compulsory Redundancies	Number of Other Departures Agreed	Total Number of Exit Packages by Costs Band	Total Number of Exit Packages
< £10,000	-	-	-	1
£10,000- £25,000	-	4	4	5
£25,000-£50,000	-	9	9	4
£50,000- £100,000	-	1	1	4
£100,000-£150,000	-	-	-	1
£150,000-£200,000	-	1	1	1
Total Number of Exit Packages	-	15	15	16
Total Resource Cost	-	£568,450	£568,450	£827,782

Redundancy and other departure costs have been paid in accordance with the provisions of the Sport NI's Voluntary Exit Scheme. During 2017-18, 15 staff left under the scheme (2016-17:16). Payments to these staff were wholly funded through the Public Sector Transformation Fund. Exit costs are accounted for in full in the year of departure and inclusive of associated Pension exit costs. Exit costs were fully processed through Sport NI Exchequer Account with the same amount received from government funding provided by the Department for Communities. If the exit costs had been recharged to Sport NI Lottery Account in line with other salary costs, NIL would have been charged (2016-17: NIL).

A director, Shaun Ogle, was included within the staff leaving under the Voluntary Exit Scheme. The value of the payment made under the scheme for this member of staff was £162,941.



Richard Archibald
Accounting Officer
Sports Council for Northern Ireland

Date: 5 December 2024

PARLIAMENTARY ACCOUNTABILITY AND AUDIT REPORT

Parliamentary Accountability Disclosure Notes

Introduction

The Parliamentary Accountability Report provides details of losses and special payments, fees and charges and remote contingent liabilities.

1. Losses and Special Payments (Audited Information)

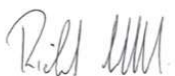
There were no losses or special payments during the year which required disclosure in the accounts (2016-17: NIL).

2. Fees & Charges (Audited Information)

There were no fees or charges during the year which required disclosure in the accounts (2016-17: NIL).

3. Remote Contingent Liabilities (Audited Information)

There were no remote contingent liabilities during the year which required disclosure in the accounts (2016-17: NIL).



Richard Archibald
Accounting Officer
Sports Council for Northern Ireland

Date: 5 December 2024

The Certificate and Report of the Comptroller and Auditor General to the Houses of Parliament

Opinion on financial statements

I certify that I have audited the financial statements of the Sports Council Northern Ireland Lottery Distribution Account for the year ended 31 March 2018 under the National Lottery etc. Act 1993. The financial statements comprise: the Statements of Comprehensive Net Expenditure, Financial Position, Cash Flows, Changes in Equity; and the related notes, including the significant accounting policies. These financial statements have been prepared under the accounting policies set out within them. I have also audited the information in the Accountability Report that is described in that report as having been audited.

In my opinion:

- the financial statements give a true and fair view of the state of the Sports Council Northern Ireland Lottery Distribution Account's affairs as at 31 March 2018 and of the net operating expenditure for the year then ended; and
- the financial statements have been properly prepared in accordance with the National Lottery etc Act 1993 and Secretary of State's directions issued thereunder.

Opinion on regularity

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

Basis of opinions

I conducted my audit in accordance with International Standards on Auditing (ISAs) (UK) and Practice Note 10 'Audit of Financial Statements of Public Sector Entities in the United Kingdom. My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of my certificate. Those standards require me and my staff to comply with the Financial Reporting Council's Revised Ethical Standard 2019. I am independent of the Sports Council Northern Ireland in accordance with the ethical requirements that are relevant to my audit and the financial statements in the UK. My staff and I have fulfilled our other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Responsibilities of the Council and Accounting Officer for the financial statements

As explained more fully in the Statement of the Council's and Accounting Officer's Responsibilities, the Council and the Accounting Officer are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Auditor's responsibilities for the audit of the financial statements

My responsibility is to audit, certify and report on the financial statements in accordance with the National Lottery etc Act 1993.

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. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK), I exercise professional judgment and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Sports Council Northern Ireland's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Conclude on the appropriateness of the Sports Council Northern Ireland Lottery Distribution Account's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Sports Council Northern Ireland Lottery Distribution Account's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my report. However, future events or conditions may cause Sports Council Northern Ireland Lottery Distribution Account to cease to continue as a going concern.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

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

Other Information

The Council and the Accounting Officer are responsible for the other information. The other information comprises information included in the annual report but does not include the parts of the Accountability Report described in that report as having been audited, the financial statements and my auditor's report thereon. My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon. In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or my knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

Opinion on other matters

In my opinion:

- the parts of the Accountability Report to be audited have been properly prepared in accordance with Secretary of State directions made under the National Lottery etc Act 1993; and
- the information given in Performance Report and Accountability Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which I report by exception

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 returns adequate for my audit have not been received from branches not visited by my staff; or
- the financial statements and the parts of the Accountability Report to be audited are not in agreement with the accounting records and returns; 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 HM Treasury's guidance.

Gareth Davies

7 December 2024

Comptroller and Auditor General

National Audit Office

157-197 Buckingham Palace Road

Victoria

London

SW1W 9SP

The Report of the Comptroller and Auditor General to the Houses of Parliament

Delays in certifying the accounts

1. It is very unusual for there to be such a delay in certifying a set of accounts. The certification of the 2017-18 Sports Council for Northern Ireland (SCNI) Lottery Distribution Accounts has been impacted by the delay to the certification of the 2014-15, 2015-16 and 2016-17 accounts. I included a report on the 2014-15, 2015-16 and 2016-17 accounts setting out the reasons for the delay, the knock-on impact on the timing of the certification of subsequent accounts, and the actions SCNI is taking to ensure it has the appropriate expertise to prepare financial statements which are both high quality and delivered on a timely basis.
2. The 2017-18 accounts have been prepared in line with my expectations in respect of quality. My audit approach is designed to obtain sufficient assurance that accounts are free from material error. I planned my audit to achieve this through sample testing of account areas.

My audit opinion on the 2015-16 and 2016-17 accounts

3. SCNI uses lottery funding to make grants for sports (which is a designated good cause under the National Lottery etc. Act 1993). SCNI's principal objectives are to increase participation in sport and physical activity by people living in Northern Ireland and to enable high performance athletes and teams to maximise their sporting potential.
4. I included a report on the 2015-16 accounts setting out that I had qualified my audit opinion, because I was unable to obtain sufficient appropriate audit evidence that the grant de-commitments in 2015-16 recorded in the Statement of Comprehensive Income, the grants payable balance as at 31 March 2016 recorded in the Statement of Financial Position, and the disclosures made in note 16 Grants Payable to the 2015-16 financial statements, were free from material misstatement.
5. My report on the 2015-16 accounts set out that SCNI had identified uncertainties and possible material error in grant de-commitments and grants payable balances when reviewing the 2015-16 financial statements prior to their submission for audit during 2021-22. SCNI began to investigate this further, but did not complete this work before I certified and reported on the 2015-16 accounts. The SCNI grant recording system was no longer able to reliably report grants de-committed and grant payables balances disclosed in the 2015-16 financial statements. Management decided not to attempt to manually reconstruct a list of grants decommitted in year and grants payables from other dated records before I certified the 2015-16 accounts.
6. I included a report on the 2016-17 accounts setting out that I limited the scope of my audit opinion on the financial statements for the year ended 31 March 2017 because of the possible effect of the matters set out in paragraphs 4 to 5 on the comparability of the 2016-17 grant de-commitments and grants payable balance at 31 March 2017 to the corresponding figures of grant de-commitments for the year ended 31 March 2016 and the grants payable balance as at 1 April 2015.

7. I did not, however, qualify my audit opinion on grant de-commitments for the year ended 31 March 2017, or the grants payable balances as at 31 March 2017 and 31 March 2016. During my audit of the 2016-17 accounts, management provided a reliable list of grants committed, de-committed, payments made in 2016-17 and grants payables balance as at 31 March 2017. Through my audit work on each of these constituent parts I was able to obtain sufficient assurance that these figures as well as the grants payable balance at 31 March 2016 were free from material error.

My audit opinion on the 2017-18 accounts

8. I set out in my reports on the 2015-16 and 2016-17 accounts that SCNI should have more reliable information within its grant recording system for grants awarded from 2016-17 onwards. SCNI have confirmed the grants payable balance at 31 March 2018 and have been able to present 2017-18 accounts that are free from material error, in a reasonable timeframe, following my certification of the 2016-17 accounts on 10 September 2024.
9. I am working with SCNI to finalise my audits of the subsequent years' accounts.

Gareth Davies

7 December 2024

Comptroller and Auditor General

National Audit Office

157-197 Buckingham Palace Road

Victoria

London

SW1W 9SP

FINANCIAL STATEMENTS**Statement of Comprehensive Net Expenditure
for the year ended 31 March 2018**

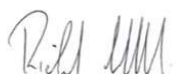
		2017-18	2016-17
	Note	£	£
Income from Activities	4	8,527,007	8,503,321
Other Operating Income	4	20,049	201,419
Total Operating Income		8,547,056	8,704,740
Staff Costs	3	(921,468)	(1,155,754)
New Grants Made in Year	3	(8,232,419)	(3,995,210)
Grants De-Committed in Year	3	440,743	995,285
Other Operating Costs	3	(614,065)	(679,547)
Total Operating Expenditure		(9,327,209)	(4,835,226)
Net Operating (Expenditure)/Income for the Year		(780,153)	3,869,514
Other Comprehensive Net Expenditure			
Items that will not be classified to net operating expenditure:			
- Net gain on revaluation of Property, Plant and Equipment	5	-	91
Comprehensive Net (Expenditure)/Income for the Year		(780,153)	3,869,605

The notes on pages 57 to 70 form part of these accounts.

Statement of Financial Position as at 31 March 2018

	Notes	2017-18 £	2016-17 £
Non-current assets:			
Property, plant and equipment	5	-	-
Intangible assets	6	-	-
Total non-current assets		-	-
Current assets:			
Investments - balance held in NLDF	8	14,694,104	15,152,649
Trade and other receivables	11	1,677	32,071
Cash and cash equivalents	10	41,350	413,238
Total current assets		14,737,131	15,597,958
Total assets		14,737,131	15,597,958
Current liabilities:			
Trade and other payables	12	(354,830)	(430,461)
Grants payable	13	(4,876,286)	(4,881,329)
Total current liabilities		(5,231,116)	(5,311,790)
Total assets less current liabilities		9,506,015	10,286,168
Total assets less total liabilities		9,506,015	10,286,168
Equity and other reserves:			
General reserve		9,392,502	10,172,655
Revaluation reserve		113,513	113,513
Total equity		9,506,015	10,286,168

The financial statements on pages 53 to 70 were approved by the Board on 5 December 2024 and are signed on its behalf by:



Richard Archibald
Accounting Officer
Sports Council for Northern Ireland

Date: 5 December 2024

The notes on pages 57 to 70 form part of these accounts.

Statement of Cash Flows for the year ended 31 March 2018

	Note	2017-18 £	2016-17 £
Cash flows from operating activities			
Net Operating (Expenditure)/Income		(780,153)	3,869,514
Adjustments for non-cash transactions		-	1,390
(Increase)/Decrease in trade and other receivables	11	30,394	(28,836)
(Decrease) in trade and other payables < 1 year	12	(80,674)	(4,882,247)
(Increase)/Decrease in balance held at NLDF		458,545	734,496
Net cash outflow from operating activities		(371,888)	(305,683)
Net decrease in cash and cash equivalents in the period	8	(371,888)	(305,683)
Cash and cash equivalents at the beginning of the period	10	413,238	718,921
Cash and cash equivalents at the end of the period	10	41,350	413,238

The notes on pages 57 to 70 form part of these accounts.

Statement of Changes in Equity for the year ended 31 March 2018

	General Reserve £	Revaluation Reserve £	Taxpayers' Equity £
Balance at 31 March 2016	6,302,804	113,759	6,416,563
Comprehensive net income for the year	3,869,514	91	3,869,605
Transfer between reserves	337	(337)	-
Balance at 31 March 2017	10,172,655	113,513	10,286,168
Comprehensive net expenditure for the year	(780,153)	-	(780,153)
Balance at 31 March 2018	9,392,502	113,513	9,506,015

The notes on pages 57 to 70 form part of these accounts.

Notes to the Accounts

1. Statement of Accounting Policies

These financial statements have been prepared in a form directed by the Secretary of State for Culture, Media and Sport with the consent of the Department of Finance and the approval of HM Treasury in accordance with Section 35(2)-(3) of the National Lottery etc. Act 1993 (as amended) and Lottery Accounts directions given by the Department for Communities on behalf of the Department for Culture, Media and Sport (DCMS).

These financial statements have been prepared in accordance with the 2017-18 Government Financial Reporting Manual (FReM) issued by HM Treasury. The accounting policies contained in the FReM apply International Financial Reporting Standards (IFRS) as adapted or interpreted for the public sector context. Where the FReM permits a choice of accounting policy, the accounting policy which is judged to be most appropriate to the circumstances of the Sport NI Lottery Accounts for the purpose of giving a true and fair view has been selected. The particular policies adopted by the Sport NI Lottery Account are described below. They have been applied consistently in dealing with items that are considered material to the accounts.

1.1 Accounting Convention

These accounts have been prepared under the historical cost convention modified to account for the revaluation of property, plant and equipment and intangible assets.

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

1.2 Property, Plant & Equipment and Intangible Assets

Non-current assets up to 31 March 2009 were capitalised in the Sport NI Lottery Account at the end of each financial year, on the basis of assets acquired/utilised specifically for Sport NI Lottery Account activities.

From 1 April 2009, Sport NI Exchequer Account is responsible for all non-current asset purchase and maintenance.

1.3 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 of.

Assets are depreciated over their useful lives as follows: -

Information Technology (Hardware)	4-9 Years
Intangible Assets	2-9 Years

1.4 Revaluation of 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.

1.5 Impairment of 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.

1.6 Pension Costs

The pension cost is recharged from Sport NI Exchequer Account and is charged to the Statement of Comprehensive Net Income.

1.7 Balances held in the National Lottery Distribution Fund (NLDF)

Balances held in the NLDF remain under the stewardship of the Secretary of State for the Department for Culture, Media and Sport. However, the share of these balances attributable to Sport NI is as shown in the accounts and, at the year end, has been certified by the Secretary of State for Culture, Media and Sport as being available for distribution by it in respect of current and future commitments.

The National Lottery Distribution fund balance is classified as investments in the Statement of Financial Position. This is in line with the Department for Culture, Media and Sport accounting policy. National Lottery Distribution Fund investments are therefore held at the lower of carrying amount and fair value less costs to sell, with any unrealised profit or loss recognised through the National Lottery Distribution Fund revaluation reserve.

1.8 Income

All income received, whether Lottery proceeds, grant recovered or other income, is credited to income in the year to which it is receivable.

1.9 Grant Liabilities

Grant awards are recognised as liabilities in the Statement of Financial Position if they meet the definition of liabilities in IAS37 Provisions, Contingent Liabilities and Contingent Assets, whether arising from legal or constructive obligations. Grant awards are recognised as expenditure and commitments are accounted for when:

- the award has been formally decided on by the Sport NI Board; and
- the award has been notified to the intended recipient via a Letter of Offer; and
- the award is free from any specific performance conditions under the control of Sport NI.

Grant awards which have been formally decided upon by Sport NI, but which do not meet the technical definition of liabilities, either due to their not having been communicated to the recipient, or due to their not meeting the criteria relating to specific conditions are not included in expenditure in the Statement of Comprehensive Net Income or as liabilities in the Statement of Financial Position but are disclosed as contingent liabilities in Note 14.

A grant commitment is deemed to be a commitment once the Letter of Offer has been drawn up and sent to the grant applicant. The commitment will remain as such provided the grant recipient continues to meet the conditions of the award. Commitments are disclosed in Note 13 to the accounts as Grants Payable and recognised as expenditure in the Statement of Comprehensive Net Expenditure.

1.10 Taxation

The Lottery Account incurs corporation tax on bank interest earned.

1.11 Financial Instruments

Sport NI has adopted IAS 39. There has been no impact on the net assets of the organisation as a result of this. Note 7 provides appropriate disclosures regarding Financial Instruments in the Sport NI Lottery Account.

Accounting Treatment Investments

The National Lottery Distribution Fund balance is classified as 'investments' in the Statement of Financial Position. This is in line with the Department for Communities accounting policy. National Lottery Distribution Fund investments are therefore held at the lower of carrying amount and fair value less costs to sell, with any unrealised profit or loss recognised through the National Lottery Distribution Fund revaluation reserve.

The presentation of an 'investment revaluation reserve' is as a result of classification as 'available for sale' with the cumulative unrealised gains and losses shown in note 17.

1.12 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.

1.13 Employee Benefits

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

1.14 Estimation Techniques Used and Key Judgements

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

The apportionment of staffing and indirect costs transferred from Sport NI for the Northern Ireland Exchequer Account to the Sport NI Lottery Account is based on a Service Level Agreement. This is reviewed annually to ensure recharges are appropriate and reflect the time which staff spend on lottery activities and the proportion of indirect costs which relate to Lottery activities.

1.15 Impending Application of Newly Issued Accounting Standards Not Yet Effective

Sport NI provides disclosure that there are no new relevant accounting standards which it has not yet applied. The application of any new or amended IFRS standards is governed by their adoption by the FReM. Sport NI applies changes to standards when they become effective. There are no known material impacts from IFRS changes that have been issued and are not yet effective on the financial statements in the period of initial application.

Specifically:

IFRS 9 Financial Instruments – No known material impacts.

As explained in Note 7, Sport NI considers that the fund is not exposed to significant liquidity risks or interest rate risks. In addition, the fund is not exposed to foreign exchange risks, commodity risks or credit risk.

IFRS 15 Revenue from Contracts with Customers - No known material impacts.

Sport NI does not have any revenue generating activities.

IFRS 16 Leases - No known material impacts.

As per Note 16, the Sport NI Lottery Fund has no direct lease commitments. The Exchequer account has one lease commitment of £10,800 of which a proportion is recharged to the Lottery fund.

2. Operating Segments

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

3. Expenditure

	Note	Total 2017-18 £	Direct 2017-18 £	Recharge 2017-18 £	Total 2016-17 £
New Grants Made in Year	13	8,232,419	8,232,419	-	3,995,210
Grants De-Committed in Year	13	(440,743)	(440,743)	-	(995,285)
		7,791,676	7,791,676	-	2,999,925
Staff Costs					
Wages & Salaries ¹		700,934	(15,005)	715,939	870,241
Social Security Costs		65,457	(1,258)	66,715	176,268
Pension Costs		140,538	(3,166)	143,704	83,862
Other Staff Costs		14,539	13,754	785	25,383
		921,468	(5,675)	927,143	1,155,754
Non-Cash Items					
Depreciation & Amortisation	5-6	-	-	-	1,390
		-	-	-	1,390
Other Operating Costs²					
SCNI Overhead Charge		477,951	-	477,951	541,416
Publicity, Courses & Conferences		53,545	53,545	-	35,914
External Audit Fee		47,000	47,000	-	45,500
Publications, Printing and Stationery		13,472	13,472	-	3,276
Professional Fees		12,309	12,309	-	30,470
Travel & Subsistence		9,575	-	9,575	14,203
Repairs and Maintenance		204	-	204	7,283
Corporation Tax		9	9	-	-
Training		-	(20)	20	60
Recruitment		-	-	-	35
		614,065	126,315	487,750	678,157
Total		9,327,209			4,835,226

¹Further analysis of staff costs is in the Staff Report.

²Other operating costs totalling £487,750 (2016-17: £558,120) within the total for 2017-18 were initially incurred by Sport NI's Exchequer Account and recharged to the Sport NI Lottery Account.

4. Income

	2017-18	2016-17
	£	£
Proceeds from National Lottery	8,502,434	8,475,700
Investment Income	24,573	27,621
Local Authority Contributions	20,000	201,119
Other	49	300
	8,547,056	8,704,740

5. Property, Plant and Equipment

	2017-18	2016-17
	Information	Information
	Technology	Technology
Cost or valuation	£	£
At 1 April	38,840	37,123
Additions	-	-
Disposals	(4,942)	-
Revaluations	404	1,717
At 31 March	34,302	38,840
Depreciation		
At 1 April	38,840	35,824
Charged in year	-	1,390
Disposals	(4,942)	-
Revaluations	404	1,626
At 31 March	34,302	38,840
Carrying amount at 31 March	-	-
Carrying amount at 1 April	-	1,299
Asset financing:		
Owned	-	-
Carrying amount at 31 March	-	-

6. Intangible Assets

	2017-18	2016-17
	Information Technology	Information Technology
Cost or valuation	£	£
At 1 April	6,539	6,117
Additions	-	-
Disposals	-	422
Revaluations	99	-
At 31 March	6,638	6,539
Amortisation		
At 1 April	6,539	6,117
Charged in year	-	-
Disposals	-	422
Revaluations	99	-
At 31 March	6,638	6,539
Carrying amount at 31 March	-	-
Carrying amount at 1 April	-	-
Asset financing:		
Owned	-	-
Carrying amount at 31 March	-	-

7. Financial Instruments:

Sport NI Lottery Account's financial instruments comprise of cash liquid resources; investments held in the National Lottery Fund Distribution Account; receivables, trade payables; and grant commitments to applicants which arise directly from Sport NI's operations. The main purpose of these financial instruments is to provide finance for the operations of Sport NI. There are currently no borrowings or embedded derivatives.

Liquidity Risks

In 2017-18, £8.502 million (99.5%) of the Sport NI's Lottery Account's income was derived from the National Lottery. The remaining income is derived from investment returns from the balance held with the NLDF £0.025 million (0.3%) and funding from Local Authorities of £0.020million (0.2%). Sport NI consider that the Fund is not exposed to significant liquidity risks; and it is satisfied that sufficient liquid resources are held within the NLDF Investment and in the bank of £14.735 million to cover all current contracted commitments of £5.231 million.

Interest Rate Risks

The financial assets of the Fund are invested in the NLDF, which invests in a narrow band of low-risk assets such as government bonds and cash. Sport NI has no control over the investment of Funds in the NLDF. At the 31 March 2018 the Market Value of investment in the NLDF was £14.694 million. In the year the average return on these investments was 0.35%. Cash balances which are drawn down from the Fund to pay grant commitments and operating costs were held in a non-interest-bearing current account, as it is part of the Northern Ireland government pooling agreement. The cash balance at the year-end was £0.041 million. Sport NI consider that the Fund is not exposed to significant interest rate risks.

Foreign Currency Risk

The Fund is not exposed to any foreign exchange risks.

Commodity Risk

The Fund is not exposed to any commodity risks.

Credit Risk

The Fund is not exposed to any credit risk.

8. Investments Classified as Available for Sale

The funds held in the NLDF are invested on its behalf by the Commissioners for the Reduction of the National Debt. The balances below are classified as investments in the Statement of Financial Position. This is in line with the DCMS accounting policy. NLDF investments are therefore held at the lower of carrying amount and fair value less costs to sell, with any unrealised profit or loss to be recognised through reserves. Interest earned on the sums invested is apportioned to each of the twelve Lottery Distributors on the basis of their percentage of the total remaining NLDF Funds at the time the interest is received.

Sport NI is charged under the 1993 Act with responsibility for distributing 2.8% of the money allocated to sport. However, as of July 1999 Sport NI received a reduced contribution of 2.6% as a top sliced contribution of 0.2% became payable to the United Kingdom Sport NI in respect of the United Kingdom wide World Class Performance Programme for elite athletes.

The closing market value of investments held at 31 March 2018 by the NLDF under the National Lottery Act as amended on behalf of Sport NI's Lottery Account was £14,694,104 (31 March 2017: £15,152,649).

Balances Held in NLDF

	2017-18	2016-17
	£	£
Proceeds from Lottery	8,502,434	8,475,700
Investment Income	24,573	27,621
Drawn Down in Year	(8,985,552)	(9,237,817)
Decrease in Funds	(458,545)	(734,496)
Balance at 1 April	15,152,649	15,887,145
Balance at 31 March	14,694,104	15,152,649

9. NLDF Balance Policy

The following is the policy as approved by Sport NI:

Sport NI aims to keep NLDF balances at a prudent level that will maximise its ability to achieve its strategic objectives, and to ensure the effective progress of existing and future commitments. In setting its target balances, Sport NI will seek to ensure that it neither compromise existing commitments nor unreasonably constrains its ability to make future commitments.

In December 2015, Sport NI agreed that the NLDF target balance should be as follows:

by 31 March 2016 to achieve a NLDF balance of £13.297m;
 by 31 March 2017 to achieve a NLDF balance of £8.226m;
 by 31 March 2018 to achieve a NLDF balance of £7.080m;
 by 31 March 2019 to achieve a NLDF balance of £5.793m;
 by 31 March 2020 to achieve a NLDF balance of £1.367m;
 by 31 March 2021 to achieve a NLDF balance of £1.773m; and
 by 31 March 2022 to achieve a NLDF balance of £5.390m.

At 31 March 2018 Sport NI NLDF balance was £14.694m. The target for the year was not achieved as a result of deferrals in programme activity. Expenditure and income profiles have been updated and revised policies have been approved annually by the Board since. The latest policy was approved in March 2023 with the £17.9m balance expected to be reduced to £1m by 2027-28.

10. Cash and Cash Equivalents

	2017-18	2016-17
	£	£
Balance at 1 April	413,238	718,921
Net change in cash and cash equivalent balances	(371,888)	(305,683)
Balance at 31 March	41,350	413,238

The following balances at 31 March were held at:

Commercial banks	41,350	413,238
Balance at 31 March	41,350	413,238

11. Trade Receivables, Financial and Other Assets**Amounts falling due within one year:**

	2017-18	2016-17
	£	£
Prepayments and Accrued Income	1,677	32,071
	1,677	32,071

12. Trade Payables, Financial and Other Liabilities**Amounts falling due within one year:**

	2017-18	2016-17
	£	£
Owed to Sport NI Exchequer Account	118,749	241,385
Accruals and deferred income	236,081	189,076
Total Trade and Other Payables	354,830	430,461
Grants payable (Note 13)	4,876,286	4,881,329
Total current liabilities	5,231,116	5,311,790

13. Grants Payable

	2017-18	2016-17
	£	£
Grants payable at 1 April	4,881,329	9,906,695
Grants paid during the year	(7,796,719)	(8,025,291)
Grant de-commitments	(440,743)	(995,285)
Grants made in the year	8,232,419	3,995,210
Grants payable at 31 March	4,876,286	4,881,329

All commitments under grants are expected to be paid within one year. Sport NI considers that it has sufficient liquid resource within the NLDF and cash balances as well as forecasted NLDF income to cover all current contracted commitments. The forecasted NLDF income is based on projections received from DCMS.

14. Contingent Liabilities

Grants are disclosed as contingent liabilities if they do not satisfy the criteria to be treated as liabilities. We have recognised a contingent liability of £14.925m at 31 March 2018 (31 March 2017: £4.497m) in respect of awards approved but not included in the calculation of grants payable in the Statement of Financial Position as letters of offer had yet to be made to the applicants at the year end.

15. Retirement Benefit Obligations

All assets, liabilities and operating costs of Sport NI's pension scheme are recorded in the Sport NI Exchequer Account. Details of pension liabilities can be found in the Remuneration and Staff Report.

16. Leases

While the Sport NI Lottery Account has no direct lease commitments, the Sport NI Exchequer Account has lease commitments, of which a proportion is charged to the Sport NI Lottery Account as they are incurred.

	2017-18	2016-17
	£	£
Total Rent Recharge	10,800	10,800

17. Analysis of the Revaluation Reserves

	NLDF Investment	Total Revaluation Reserve
	£	£
Balance at 31 March 2017	113,513	113,513
Balance at 31 March 2018	113,513	113,513

18. Capital Commitments

There were no capital commitments as at 31 March 2018 (31 March 2017: NIL).

19. Other Financial Commitments

There were no other financial commitments as at 31 March 2018 (31 March 2017: NIL).

20. Contingent Assets

The National Lottery Distributors (including the Sports Council of Northern Ireland) are entitled to receive a share of receipts from the sale of land on Queen Elizabeth Olympic Park in return for their contribution of an additional £675 million to the funding of the London 2012 Olympic and Paralympic Games. This was announced in 2007. The arrangements are set out in a legal agreement between the Secretary of State and the Greater London Authority dated 29 March 2012 which sets out the distribution of funds between the GLA and the lottery distributors (via DCMS). Land sales are likely to take place over a lengthy period, estimated to be from 2018-19 to 2036-37. The GLA has advised that sales are forecast to return less than £200m with payments to the Lottery Distributors beginning in 2026/27.

21. Related Party Transactions

Several members of the Board and Senior Staff (Executive Team) are also involved with suppliers or other sports organisations in Northern Ireland either directly or indirectly as a result of a family relationship, a close friendship or business relationship. These individuals make an annual declaration of their interests and do not take part in discussions and decisions to make commitments to those organisations with which they have had a declared interest. A list of the commitments and payments made to the organisations concerned and details of who made the declaration of interest is shown below. All transactions relating to the organisations were conducted at arm's length by Sport NI.

Board Member	Grantee	Commitments to Grantee (£)	Payments (£)	Relationship of Staff Member to Grantee or Supplier
Jackie Bryson	Mountaineering Ireland	48,500	32,430	Observer on Mountain Training UK Board which includes rep from MI.
Richard Bullick	Netball NI	215,703	212,910	Non-Executive Director & Board Member
James Jay Colville	Royal Yachting Association	249,872	189,671	Subscribing Member – Current
Kyle Ferguson	University of Ulster – Jordanstown	-	3,813	Salaried Employee – Current
	Irish Football Association	-	322,105	Consultancy Services - Current
George Lucas	UB Tennis Ireland	38,960	41,974	Person Connected – Honorary Officer – Current
Darryl Petticrew	Disability Sport NI	228,110	230,039	Personal relationship with CEO
Kieran Harding	Irish Football Association	-	322,105	Salaried Employee - Current

Executive Team Member	Grantee	Commitments to Grantee (£)	Payments (£)	Relationship of Staff Member to Grantee or Supplier
John News	Cycling Ireland	260,339	203,861	Subscribing Member – Current
Shaun Ogle	Cycling Ireland	260,339	203,861	Subscribing Member – Current

Other related parties include:

Sport NI is a Non-Departmental Public Body sponsored by Department for Communities. Department for Communities is regarded as a related party. During the year Sport NI has had various transactions with the Department and with other entities for which Department for Communities is regarded as the parent Department. None of the Board Members, key managerial staff or other related parties has undertaken any material transactions with Sport NI during the year.

The Lottery Account operations of Sport NI are funded from the National Lottery Distribution Fund through the Department for Culture, Media and Sport (DCMS). DCMS is regarded as a related party. During the year Sport NI has had various material transactions with DCMS.

The Sport NI Exchequer Account makes a number of recharges to the Sport NI Lottery Account.

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

22. Third Party Assets

There are no third-party assets as at 31 March 2018 (31 March 2017: Nil).

23. Events After the Reporting Period

Events after the balance sheet date are those material events, both favourable and adverse, that occur between the end of the reporting period and the date when the accounts are authorised for issue.

For detail on the absence of Chief Executive, Transformation Programme, Board Resignations, and the delay of publication of annual report refer to the Governance Statement.

External

Sport NI participated in the DCMS working group set up to assess the implications of the United Kingdom's exit from the European Union which took place on 31st January 2020. Sport NI's business model and working practices were severely impacted by the Covid 19 pandemic in 2020-21 both in terms of specific short-term responses and longer-term effects.

Date of Authorisation for Issue

The Accounting Officer authorised the issue of these financial statements on the date they were certified by the Comptroller and Auditor General.

APPENDIX A - LOTTERY POLICY DIRECTIONS

SPORTS COUNCIL FOR NORTHERN IRELAND

The Department for Communities, on behalf of the Department for Digital, Culture, Media and Sport, in exercise of the powers conferred by section 26(1) of the National Lottery etc. Act 1993 and having consulted the Sports Council for Northern Ireland (Sports Council for Northern Ireland) pursuant to section 26(5) of that Act, hereby gives the following directions:

1. In these Directions any reference to a section is a reference to a section of the National Lottery etc Act 1993.
2. In determining the persons to whom, the purposes for which and the conditions subject to which it distributes any money under section 25(1), Sports Council for Northern Ireland shall take into account the following matters:-
 - A. Its assessment of the needs of sport and its priorities for addressing them (having regard to government strategies/policies in force).
 - B. The need to inspire children and young people, awakening their interest and involvement in sport.
 - C. The need to foster local community initiatives which bring people together, enrich the public realm and strengthen community spirit.
 - D. The need to support volunteering and encourage volunteering in sport.
 - E. The need to encourage new talent, innovation, and excellence and help people to develop new skills.
 - F. The need to involve the public and local communities in making policies and setting policies and setting priorities.
 - G. The need to ensure that money is distributed for projects which promote public good rather than private gain.
 - H. The need to further the objective of sustainable development.
 - I. The need to ensure that all those receiving Lottery money acknowledge it using the common Lottery branding.
 - J. The need to require an element of partnership funding, or contributions in kind from other sources, to the extent that this reasonable to achieve for different kinds of applicants.
 - K. The desirability of:
 - (a) increasing access and participation for all;
 - (b) ensuring that all areas have access to funding; and
 - (c) reducing economic and social deprivation.
 - L. The desirability of working jointly with other organization, including other distributors.

M. The need:

- (a) to set time limits for which grants are payable;
- (b) to ensure that Sports Council for Northern Ireland has the necessary information and expert advice to make decisions on each application; and
- (c) for applicants to demonstrate the financial viability of projects.

N. Where capital funding is sought, the need:

- (a) for a clear business plan showing how any running and maintenance costs will be met for a reasonable period; and
- (b) to ensure that appraisal and management for major projects match the Office of Government Commerce's Gateway Review standards.

O. The need to ensure that its powers to solicit applications under section 25 (2A) are used in connection with the pursuit of strategic objectives.

Signed on behalf of the Department for Communities (formerly DCAL):

PAUL SWEENEY
Permanent Secretary

16 April 2008

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