



**THE SPORTS COUNCIL for NORTHERN IRELAND**  
*(known as Sport NI)*

**Annual Report and Accounts**

**For the year ended 31 MARCH 2022**



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*Laid before the Northern Ireland Assembly*  
*Under Articles 7 (2)(c) and 8 of the*  
*Recreation and Youth Service (Northern Ireland) Order 1986*  
*by the Department for Communities*  
*on*

**01 November 2022**

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This publication is also available for download from our website at <http://www.sportni.net>.

## Sport NI Exchequer Account 2021-22

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## **Performance Report**

The Performance Report focuses on matters relevant to all users of financial statements. Its purpose is to provide information on Sports Council for Northern Ireland (hereafter Sport NI), its main objectives and strategies, and the principal risks it faces. It has two sections: an 'Overview' and a 'Performance Analysis'.

### **Overview**

The purpose of the Overview section of the Performance Report is to give the user a brief summary which provides sufficient information to understand Sport NI, 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, the Purpose and Activities of Sport NI, Key Issues and Risks which could affect Sport NI in delivering its objectives, an explanation of going concern as it affects Sport NI, and a Performance Summary.

### **Chair's Foreword**

If the first year of the global pandemic was marked by a silence on our playing fields and pitches, the last 12 months have seen sport re-emerge to bring joy to competitors and communities.

Our focus and programmes this year was on helping sport return to strength, and using the opportunity to change and become more resilient. Investing in improving the sporting estate was important through Building Better Sports Facilities, as well as tackling the financial wake of COVID19 through the COVID Recovery Programme. Sport is regaining its strength and confidence, and we are very proud to have played our part in that.

Whilst COVID was once again a major focus, we maintained our work across key programmes supporting athletes, governing bodies, clubs and other stakeholders. Sport NI is energised and excited to have launched our new Corporate Plan, The Power of Sport, and its bold vision is that by 2026, we want the power of sport to be recognised and valued by all.

At Sport NI we are passionate about maximising the power of sport to change lives. Women, people living with a disability, minorities and those living in the most deprived areas are underrepresented on our pitches, sidelines, and boardrooms. We're determined this five-year plan will deliver real change in more people being active, more often, whilst ensuring inclusion for all is its lasting legacy.

## Sport NI Exchequer Account 2021-22

2021 was never expected to be an Olympic and Paralympic Year. Training programmes and preparations are painstakingly developed and pursued so athletes can peak at the right time. Tokyo 2020's delay by one year, although disruptive, did not prevent Northern Ireland having its most successful Olympiad ever in terms of athletes going to the games. This was all the more remarkable given the uncertainty and complexity surrounding travelling and competing during a pandemic. Our Performance Programmes staff and expertise at the Sport NI Sports Institute played a key role in preparing and supporting our athletes competing against the best in the world.

I would like to thank my fellow Board Members, the CEO and the wider team at the Sport NI, who helped support the sector in what was once again a challenging year. Great sport is built on strong teamwork, whether it is those bonds forged by competing together, or preparing individuals to strive to their best. Similarly, we know our success will rely on working with others across sport, health, education and many other areas. That partnership approach will be a mainstay of our work during the next five years and beyond, and in doing so we will harness the creativity, knowledge and resources to see sport deliver change both in our people and our communities.

Thank you,



**George Lucas**  
**Chair, Sport NI**

**Date: 24 October 2022**



## **Chief Executive's Introduction**

Although sport was regaining its stride in 2021-22, the legacy impact of the COVID-19 pandemic was still being felt across the sector.

A significant part of our work supported sport through new programmes in both capital improvements and tackling income deficits to strengthen clubs and other sporting organisations.

This was in addition to our key programmes that support sports financially through grants, and expertise in areas such as governance, facilities, coaching, club development, pathways and high-performance.

I'm particularly delighted during this year that we launched our new Corporate Plan, The Power of Sport. Developed and co-designed through a huge amount of engagement with the sector and key stakeholders, the plan sets out our direction of travel and activity over the next five years.

We will measure our success against the two outcomes of seeing more people adopting and sustaining participation in sport and physical activity and our athletes being among the best in the world. However, it is not simply about these outcomes; we are also clear in how we want to drive a change of culture across sport via our Cornerstones. Equality and Inclusion, Wellness and Wellbeing; a duty of care to all in sport, ensuring under-represented groups can enjoy sport will be consistent themes in our work in the years ahead.

To drive change and excellence in sport, we have also had to make changes to ourselves. 2021-22 saw the completion of our restructuring in Sport NI to build new teams and expertise in People Development, Culture & Integrity, Infrastructure, Sport Development, Performance, Corporate Services, Communications and Policy & Insight. Sportspeople inspire us every day with their drive to be part of a high performing team and our focus is to pursue that same excellence.

We have worked closely with a wide range of partners and are pleased to have agreed a new framework for working with our sponsor department, the Department for Communities.

Our staff have responded to many challenges, and contributed in so many ways, and I thank each of them sincerely, as well as the Chair and Board for their support. We have seen how we can adapt and deliver even in the face of the unexpected such as Tokyo 2020, taking place in 2021 under the restrictions of a pandemic.

## Sport NI Exchequer Account 2021-22

This incoming year, we will not only support athletes in Birmingham 2022 at the Commonwealth Games, but we will start work in earnest on our new five year plan. It is an ambitious agenda, and we know we must work with others to achieve it, but if we do so, we will go a long way to achieve its goal of maximising the power of sport to change lives.



**Antoinette McKeown**  
**Chief Executive**

**Date: 24 October 2022**

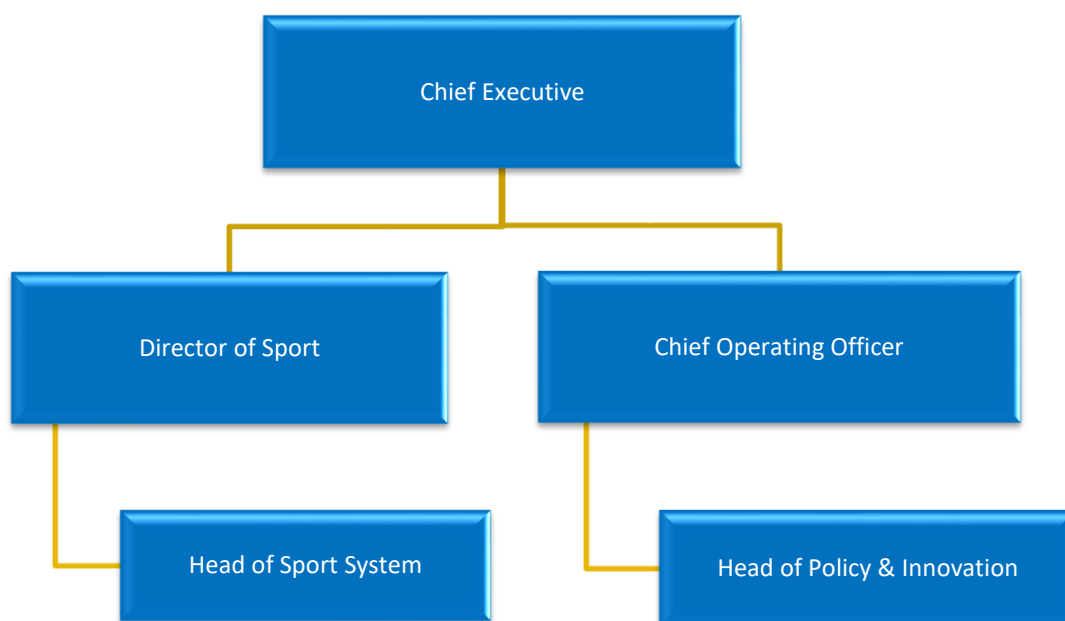
## Purpose and Activities of Sport NI

### Business Model And Environment

Sport NI is the statutory body through which public funding for sports in Northern Ireland is channelled and is the lead public body for the development of sport here.

### Organisational Structure

The affairs of Sport NI are managed by the Board, consisting of the members listed in the Directors' Report. The Chief Executive is supported by four executive directors: A Director of Sport, Chief Operating Officer, Head of Sports System, and Head of Policy & Innovation. The Chief Executive, Antoinette McKeown, is the Accounting Officer of Sport NI and is supported by professional staff responsible for subject and functional areas of Sport NI's programmes. The current structure has been in place for the full year, including up to certification of the accounts.



## **Principal Functions Related to Grant-in-Aid Activities**

Sport NI's principal functions are as provided by Article 3 of the Recreation and Youth Service (NI) Order 1986:

- On matters relating to sport and physical recreation, to advise DfC and other government departments, 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; and
- To assist, subject to Paragraph (4) of the article:
  - the provision of administrative services, equipment, coaching and instruction;
  - the organising or supporting of, or participating in, international or other events, by bodies providing facilities for sport or physical recreation or organising such activities; and
  - bodies providing supportive services in connection with sport and physical recreation.

Article 5 of the 1986 Order provides that DfC may, subject to such conditions as it thinks fit, make grants towards the expenses of Sport NI. These financial statements have been prepared on an accruals basis and show a true and fair view of the state of affairs of Sport NI's activities at the year end and of its net expenditure, changes in taxpayers' equity and cash flows for the financial year. They have also been prepared in accordance with Article 7 of the Order and in a form directed by DfC with the approval of the Department of Finance. Finance (DoF). In line with reporting requirements, a draft copy of Sport NI's Annual Report and Accounts was shared with NIAO on 5th July 2022.

## **Review of Grant-in-aid Activities**

Sport NI is primarily funded by grant-in-aid from DfC. The level of funding is agreed with DfC as part of a rolling funding agreement. This agreement also includes an agreed set of operational targets as outlined in the business plan. During 2021-22, Sport NI received £9,106,892 (31 March 2021: £34,878,279) in funding. Grant-in-aid funds are accounted for in Sport NI Exchequer Account.

## **Future Grant-in-aid Activities**

Exchequer funding baseline is anticipated to remain at the baseline level for 2021-22.

## **Objectives and Strategies**

Sport NI's mission is "We are passionate about maximising the power of sport to change lives. By 2026, we want the power of sport to be recognised and valued by all.

Sport NI's Corporate Plan 'The Power of Sport' 2021-26 has proposed two outcomes over the next five years:

- Outcome One: People adopting and sustaining participation in sport and physical activity.
- Outcome Two: NI Athletes among the best in the world.

### **Key Issues and Risks that could affect the delivery of our Objectives**

The Corporate Risk Register was reviewed by the Sport NI Board and Executive Leadership Team in November 2021. This resulted in the identification of nine new corporate risks:

1. Failure to manage expectations and / or gain alignment with priorities of the Department
2. Fail to maximise on the publicity opportunity relating to the benefits of sport
3. Unable to achieve and sustain the right organisation structure and culture
4. Unable to achieve digital transformation required (internally and externally)
5. Failure to protect the health, safety and well-being of our staff and service users
6. Sub-optimal partnerships and collaborations
7. Failure to develop inclusivity for all in Sport
8. Failure to develop operational continuity and resilience plans.
9. Not understanding / preparing for the implications of climate change on sport, both positive and negative.

The Board considers how these risks are managed, the residual risk and action plans as appropriate.

### **Going Concern Basis**

The financial statements of Sport NI are produced on the 'Going Concern Basis'. This was formally considered by the Board, including the impact of the COVID-19 pandemic, at its meeting on 16 March 2022 and again on 19<sup>th</sup> October 2022. Sport NI is not aware of any reason to adopt a different basis.

### **A Performance Summary**

Sport NI's Business Plan for 2020-21 set out 23 Key Performance Indicators (KPIs) to be measured across four over-arching outcomes aligned to the Kaplan Norton Balanced Scorecard: Results, Customers/Stakeholders, Internal Processes and Organisational Learning and Growth. By the end of 2020-21: 18 were achieved; 0 partially achieved; and 5 were not achieved. Detail on performance is included in the Performance Analysis section on pages 11-31.

## Performance Analysis

The purpose of the 'Performance Analysis' is to provide a detailed performance summary of how Sport NI measures its performance and more detailed integrated performance analysis.

### Key Performance Indicators, Risk and Uncertainty

Sport NI's Business Plan 2021-22 charts the journey for how we will support the recovery from the impact of the COVID-19 pandemic on the sporting sector in Northern Ireland in 2021-22. We will promote capability, inclusivity and innovation, and move forward in partnership with sports through the co-design of a new sporting system. We will embed our new organisational structure in 2021-22 and start to leverage the benefits of the transformation as the year progresses, with senior appointments made early in 2021.

This plan takes account of the new NI Executive's Strategy for Sport and Physical Activity which has been developed by the Department for Communities (DfC). This business plan year also continues Sport NI's ongoing transformation journey and ongoing implementation of the Route Map for Change as reflected in the actions in this Business Plan.

The Business Plan 2021-22 constitutes the first year of our five year Corporate Plan, **"The Power of Sport"** and is focussed on laying the foundations for sport development over the next five years. The outcomes are arranged according to the Kaplan Norton Balanced Scorecard 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 impact of COVID19 continued to be a focus for Sport NI during FY21-22. Significant programmes orientated around the pandemic such as Building Better Sports Facilities, and the COVID Recovery Programme were delivered, as well the second year of Build Back Better. Sport NI continued to be engaged in collaborative work with other stakeholders around Return to Sport. As a result, some of Sport NI's 2021-22 objectives had to be re-prioritised (R1.1; R1.2; R1.4), as well as the pandemic's impact on the timeframe for delivery of the Sport NI Corporate Plan – The Power of Sport (2021-2026).

The table below provides an overview of progress made against Key Targets (23):

- **18 (78%) were achieved (Green);**
- **0 (0%) were missed by a small margin (Amber);**
- **5 (22%) were missed by a substantial margin (Red).**

**Key:**

Green = Target achieved

Amber = Substantially achieved

Red = Not achieved

Business Plan Reference & Outputs	Progress Status at Year-End
<p><b>Results 1.1 - To co-design with the sports sector and stakeholders, an integrated and holistic sporting system for NI, to strengthen participation at all levels (including amongst under-represented groups), ensuring better community connections, talent pathways and world-class athletes and teams.</b></p> <p>This has not been achieved. The co-design of the sporting system was significantly impacted by several factors including COVID and restructure. This resulted in significant vacancies and changeover at leadership and manager levels for parts of the year. Target has been incorporated into next year's Business Plan in 2022-23.</p>	<p><b>NOT ACHIEVED</b></p>
<p><b>Results 1.2 - To design a transition investment strategy and support programmes aligned to the sporting system and the new ten year strategy for sport and physical activity.</b></p> <p>Performance Environment and Club Environment Transition programme letters of offer issued to sports, with additional projects supported to deliver against the cornerstones of the new Sport NI Corporate Plan. Total Investment £5,130,512:</p> <ul style="list-style-type: none"> <li>• Performance Environment Transition Programme Investment £3,014,013</li> <li>• Club Environment Transition Programme Investment £2,116,499.</li> </ul>	<p><b>ACHIEVED</b></p>
<p><b>Results 1.3 - To scope an integrated sports infrastructure strategy, supporting accessible, inclusive sustainable spaces for sport and physical recreation.</b></p> <p>This has been impacted by COVID response being prioritised. ELT also agreed to await the appointment of the Infrastructure Development Manager to add capability and capacity to the strategy.</p> <p>Investment proposals for the strategy will form part of the new investment programme aligned to the Corporate Plan. The infrastructure strategy is a priority for next year's Business Plan for 2022-23.</p>	<p><b>NOT ACHIEVED</b></p>

Business Plan Reference & Outputs	Progress Status at Year-End
<p><b>Results 1.4 - To co-design the Sport NI Equality, Diversity and Inclusion Strategy to ensure equality of access to all parts of the sports system and an increase in inclusive, welcoming sporting environments so that everyone can engage in sport and physical activity.</b></p> <p>An Equality Diversity and Inclusion Strategy is drafted. Co-design with the sports sector and partners did not occur as sector was focussed in responding to COVID Recovery Programme. Target has been incorporated into next year's Business Plan in 2022-23.</p>	<p><b>NOT ACHIEVED</b></p>
<p><b>Results 1.5 - To continue delivery and evaluation of financial and other Support Programmes to sustain the sports during the COVID-19 Pandemic.</b></p> <p>Contract awarded through CPD for completion of Post Project Evaluation requirements for Sports Hardship Fund (SHF), Sports Sustainability Fund (SSF) and COVID Safe Sports Packs (CSSP).</p> <p>SSF completed by 31/03/22. SHF, CSSP &amp; Business Improvement Plan (BIP to be completed by 31/05/22. Delays caused by challenges in securing a contractor to carry out the work and necessitated multiple tendering processes.</p> <p>The COVID Recovery Programme for Sports Organisations was developed and designed through sectoral engagement. 269 applications were received by the closing date on 28<sup>th</sup> January with a total request of £5,102,197. Following assessment 252 awards were made by 31<sup>st</sup> March 2022 totalling £4,350,037.</p>	<p><b>ACHIEVED</b></p>
<p><b>Results 1.6 - To deliver the Supporting Sport to Build Back Better National Lottery programme of investment, capability building and Sport NI expertise to strengthen Governing Bodies and sports clubs emerging from the COVID-19 Pandemic.</b></p> <p><u>Project Re-Boot: Team Up</u> 28 Team Up projects completed delivering activities across NI by 31<sup>st</sup> March 2022 (£608k).</p> <p><u>Project Re-Boot: Activate</u> Sport NI has pledged £235,136 to 56 sports clubs and organisations. By 31/03/2022, 32 successful campaigns gained support from over 2300 individual supporters and raised and additional £220k for their project through match-funding (leverage £1= £2.66).</p> <p><u>Monitoring &amp; Evaluation</u> Shared learning events have been hosted by Otium to ensure good practice and lessons are captured 'live' attended mainly by Team Up</p>	<p><b>ACHIEVED</b></p>



Business Plan Reference & Outputs	Progress Status at Year-End
<p>projects. An interim report submitted by Otium indicated that the programme is on track to achieve its intended outcomes.</p> <p><u>Capability Building</u> Work continued in the Digital Connectivity, Mental Health &amp; Wellbeing and People Development strands. By March 2022 the Digital Connectivity (Phase I) work was completed.</p> <p><u>Sporting Clubs Programme 2021-22</u></p> <ul style="list-style-type: none"> <li>• Ongoing management of 21 investments</li> <li>• Sporting Clubs Programme completed March 2022</li> </ul> <p><u>Governing Body Support Programme 2021-22</u></p> <ul style="list-style-type: none"> <li>• Ongoing management of 14 investments</li> <li>• Sporting Clubs Programme completed March 2022</li> </ul> <p><u>Capability – People Development</u> People development moved into business as usual.</p>	
<p><b>Results 1.7- To strengthen capability, capacity &amp; employability in outdoor adventure sport in partnership with Ulster University</b></p> <p>New undergraduate degree course approved by Ulster University with first intake of students due September 2022. The course will award a BSc (Hons) in Outdoor Adventure. This will be the only such course on the island of Ireland and one of only a handful across the UK. The course anticipates an intake of 24 students in Year 1 and will be based at the UU Coleraine campus with practical skills and leadership training undertaken at Tollymore National Outdoor Centre (TNOC). Memorandum of Understanding currently being developed.</p>	<b>ACHIEVED</b>
<p><b>Results 1.8 - To strengthen provision of modern, fit for purpose, safe &amp; inclusive sports facilities throughout NI that meet the local and regional needs of sports &amp; communities</b></p> <p><u>BBSF</u> The budget for BBSF was been increased to £1,125K. The initial target was 44 Letters of Offer, however, following the budget increase, 48 LoO's were issued.</p> <p><u>MMF</u> The progress of the 7 Multi Facility projects are as follows:</p> <ul style="list-style-type: none"> <li>• On-site – 1</li> <li>• Business case approved / in technical design -3</li> <li>• Business case being assessed – 2</li> <li>• Business case being developed – 1</li> </ul>	<b>ACHIEVED</b>

Business Plan Reference & Outputs	Progress Status at Year-End
<p><b>Results 1.9 - To deliver targeted skills and leadership learning opportunities for coaches, officials and volunteers to enhance the quality, accessibility and sustainability of sports participation, sports clubs and community sport.</b></p> <p><u>Club and Workforce</u> 264 Events/resources delivered to 4,717 Attendees/Users</p>	ACHIEVED
<p><b>Results 2.1 - To support sports to achieve targeted performances (Medals / Top 8 / Top 16) in major international competition (World / European Championships). This year includes Olympic, Paralympic, World and European competition.</b></p> <p>Overall Year 5 results across all eligible competitions were as follows:</p> <ul style="list-style-type: none"> <li>• 10 Medals (2 x Para Athletics; 1 x Boccia; 1 x Boxing; 1 x Cycling; 4 x Para Swimming; 1 x Wheelchair Basketball)</li> <li>• 21 Top 8 finishes (Archery x 2; Para Athletics x 2 Boccia x 2; Boxing x 1, Canoeing x 2; Cycling x 1; Golf x 3; Hockey x 1; Rowing x 2; Swimming x 4; Para Swimming x 1)</li> <li>• 17 Top 16 finishes ( 1 x Boxing; 2 x Canoeing; Cycling x 4; Para Cycling x 1; Hockey x 1; Swimming x 5; Para Swimming x 3)</li> </ul>	ACHIEVED
<p><b>Customers/Stakeholders 1.1 - To provide ongoing expert advice and support to sports governing bodies, health partners and other relevant stakeholders to sustain the sports sector and facilitate a safe return to sport post-Covid19.</b></p> <p>2021-22 saw a continuing decline in need for input into COVID related expert advice, through the Return to Sport (RTS) expert group and Return to Spectators group. Sport NI website provides guidance and signposts to other information sources.</p>	ACHIEVED
<p><b>Customers/Stakeholders 1.2 - To work with partners in health, education and district councils to agree a shared approach to joint working and funding to deliver shared PfG outcomes, maximising opportunities for sport and physical activity within community planning partnerships and supporting connected communities.</b></p> <p>Work with PHA on wholes systems approach to Obesity. 10/11 Local Authorities (LA) signed up to Water Safety Programme. Engagement with LA leisure providers. Work with PSNI and Street Games on joint sport approach to those most vulnerable.</p>	ACHIEVED
<p><b>Customers/Stakeholders 1.3 - To work with Sport Ireland to achieve recognition of Tollymore National Outdoor Centre as an island of Ireland centre for sport and recreation, maximising</b></p>	NOT ACHIEVED

Business Plan Reference & Outputs	Progress Status at Year-End
<p><b>potential of the asset and funding sources to widen access and increase leadership skills.</b></p> <p>A full review of Tollymore National Outdoor Centre is scheduled to take place during 2022-23. This target will be addressed as part of the wider review.</p>	
<p><b>Customers/Stakeholders 1.4 - To work in partnership with district councils to ensure effective compliance with the Safety at Sport Grounds (NI) Order 2020, strengthen technical capability &amp; capacity and improve player &amp; spectator experiences in designated grounds.</b></p> <p>Sport NI has met with District Council as has SGSA on our behalf to undertake safety project discussions and SAG meetings pre-games.</p> <p>Sport NI has been engaged in discussions regarding steward training and that will feed into the objective in 2022-23.</p> <p>The Infrastructure team and SGSA have been permanent features on the Return to Spectators Working Group.</p> <p>SGSA is delivering the core requirements of the Sport NI / DfC Operational Framework. Further work has commenced on the safety qualifications requirements of safety stewards and safety officer and how best to deliver them.</p>	<b>ACHIEVED</b>
<p><b>Customers/Stakeholders 2.1 - To deliver expertise and services to relevant high performance sports*, working in partnership with them to identify and provide sport specialist support to develop pathways and increase performance results</b></p> <p>Services from the Sports Institute to support 21 high performance programmes in sports plus delivery into Commonwealth Games NI. In 2021-22 1,460 person days of service were delivered to these programmes at an approximate cost of £429.6K.</p> <p><u>HP Coach Development</u></p> <p>11 Coach Developers from HP Sports were supported through SNI's Performance Coach Developer learning programme, delivered with Leeds Beckett University.</p>	<b>ACHIEVED</b>
<p><b>Internal Processes 1.1 - To deliver the continuous corporate governance improvement agenda, targeting Procurement</b></p>	<b>ACHIEVED</b>

Business Plan Reference & Outputs	Progress Status at Year-End
<p><b>compliance and adherence to policies and procedures and systems requirements.</b></p> <p><b>Internal Audit</b> Two Internal Audit reviews have been completed – Review of SNISI and Government Funding &amp; GFD. Two further IA assignments are scheduled for May 2022 – Review of Programme Delivery (Sporting Clubs &amp; Winners) and Review of GDPR.</p> <p><b>Procurement</b> The Operations Team continue to monitor procurement compliance and ensure procurements are completed in line with the requirements of DfC CPT and CPD. The new Finance system has been implemented and this has a focus on ensuring that all transactions are compliant with Procurement &amp; Contract Management procedures.</p> <p><b>Risk Management</b> Sport NI revised Corporate Risk Register (November 2021) and identified nine new risks. Reviews of the Corporate Risk Register have been undertaken in February 2022 (one new risk added) and April 2022. Sport NI has implemented Decision Time to support risk management processes.</p>	
<p><b>Internal Processes 1.2 - To implement the Partnership Agreement with Department for Communities.</b></p> <p>Board approved the Partnership Agreement in March 2022 ahead of approval now required from Permanent Secretary of DfC and subsequently Department of Finance. A further meeting is to be held with DfC to agree measures for effective implementation of the Agreement.</p> <p>This target will be implemented during 2022-23.</p>	<p><b>NOT ACHIEVED</b></p>
<p><b>Internal Processes 1.3 - To design, plan and commence implementation of a Digital Transformation Programme.</b></p> <p>Priority actions in the Plan are in process. The new finance system went live on 01 April 2022, procurement is underway for the new HR/payroll system, and a range of other IT infrastructure modernisation work streams are ongoing.</p>	<p><b>ACHIEVED</b></p>
<p><b>Internal Processes 1.4 - To deliver a communications and advocacy strategy, aligned to the Corporate Plan 2021-2025 to ensure that the compelling story of the value of sport and</b></p>	<p><b>ACHIEVED</b></p>

Business Plan Reference & Outputs	Progress Status at Year-End
<p><b>physical activity is recognised by an increased number of stakeholders.</b></p> <p>A Communications and Engagement Strategy aligned to the Corporate Plan has been developed and delivery has commenced following the approval in March of the Corporate Plan, The Power of Sport.</p> <p>With the plan approved it was processed into the full design version, with a launch video and a Power of Sport promotional video as social assets to accompany the press release and convey the Power of Sport to change lives. A full-scale media engagement was negated due to restrictions under the pre-election period in consultation with DfC, however key stakeholders received briefing material at the end of March 2022, with a further briefing to Governing Bodies arranged, that took place in early April. This is one of a series of briefing sessions, picking up on themes within the Corporate Plan.</p> <p>Work is underway arranging individual briefings for key stakeholders, with a media launch to be scheduled in the post-election period.</p> <p>Sport NI management team held a session with Governing Bodies on the Corporate Plan, discussing how it would shape their individual work in the years ahead.</p>	
<p><b>Internal Processes 2.1 - To deliver continuous improvement in Health and Safety processes and practices.</b></p> <p>Sport NI's Control of Substances Hazardous to Health report was updated in February 2022. A return to work Covid-19 Protocol was developed in March 2022 and disseminated to all staff in advance of a return to the workplace. CO<sub>2</sub> Monitors have also been installed throughout the building to identify any areas where there may be poor ventilation.</p> <p>A review of Sport NI First aiders was also undertaken to identify where refresher training is needed.</p>	<b>ACHIEVED</b>
<p><b>Organisational Learning and Growth 1.1 - To complete the Sport NI Restructuring Programme through the resourcing of all posts and embedding of new structure by March 2022.</b></p> <p>The restructuring process is now complete. Management is focused on filling final vacancies once the final review of the staff budget is complete.</p>	<b>ACHIEVED</b>
<p><b>Organisational Learning and Growth 1.2 - Develop, promote and support a policy and research agenda that provides meaningful</b></p>	<b>ACHIEVED</b>

Business Plan Reference & Outputs	Progress Status at Year-End
<p><b>insights and evidence to inform the implementation of the draft Corporate Plan 2021-26.</b></p> <p>A Research Plan has been drafted for the period of the Corporate Plan. This will be finalised and published after internal review and Board approval.</p> <p>Preparation of this plan has included a review of the approach taken by other UK Councils and Sport Ireland, and exploration of the metrics that would be required to inform and evidence the progress / achievement of the Outcomes in the Corporate Plan.</p> <p>The Head of Policy &amp; Innovation sits on the Research &amp; Participation Committee at Sport Ireland, which also helps inform our approach in an aligned way.</p> <p>Sport NI have been engaging with NISRA in terms of how to aim for best practice on the collation, and publication of official statistics. Sport NI have also engaged with both local Universities, to understand their current areas of interest, and outline the Sport NI research needs over the period of the Corporate Plan.</p> <p>In the final Quarter Sport NI also had early discussions with digital providers (e.g. Strava Map My Run) on how Sport NI might gain improved insight into participation trends.</p>	
<p><b>Organisational Learning and Growth 2.1 - To develop a Learning strategy to reflect the ambition of Sport NI as a highly performing team. In particular to introduce a learning through coaching initiative to increase individual and organisational performance.</b></p> <p>The Learning strategy has been developed and delivery of initial phase begun.</p>	<b>ACHIEVED</b>

In addition to the KPI's outlined above, Sport NI's other key achievements during 2021-22 can be considered under three themes: 'A Sporting Comeback', 'Driving Sport Forward' and 'Competing On The World Stage'

## A SPORTING COMEBACK

The seismic impact of the pandemic is still being felt across the sports sector in Northern Ireland. During 2021-22 Sport NI played a vital role in leading and supporting the sector as it moved out of shutdown mode and into recovery.

Part of our work was assessing the impact of some of those early interventions from the previous financial year. An independent evaluation of our Sports Sustainability Fund demonstrated that for many organisations, the fund was vital in helping their organisation avoid closure. 91.3% of respondents said the funding awarded provided a sufficient level of financial support to enable their sporting organisation to continue to operate during the pandemic.

Similarly a review of our Sports Hardship Fund saw 93.9% of respondents state that the fund contributed to their ability to resume sporting activities when public health restrictions permitted.

- **Return to Sport**

As the periods of lockdown and restrictions ebbed, Sport NI provided advice, guidance and resources to the wider sporting sector to enable a safe and timely return to sport, in line with government restrictions. Sports' governing bodies, district councils, sports clubs and venue operators were supported in planning for a safe return to sports facilities for participants, coaches, officials, spectators and the public. Sport NI also liaised with UK and Irish counterparts to better understand their situations and apply their learnings when appropriate.

The Safe Return of Spectators strand of the Return to Sport project, emphasised providing guidance and insight to facilitate safe venue operation as the regulations and restrictions shifted due to the wider health context.

- **COVID Recovery Fund for Sports Organisations**

The financial impact of the pandemic was still having a major impact on funding of sporting clubs and organisations. The NI Executive provided up to £5m towards the COVID Recovery Fund for Sports Organisations and a range of other not-for-profit organisations.

Sport NI delivered this fund to sports organisations with the aim to reduce or remove operating deficits in eligible organisations which arose in the 2021-22 financial year because of the pandemic.

Despite a very challenging time-frame, and the requirement to work closely with DfC and other funders, we invested £4.27m across 245 organisations representing 23 sports across Northern Ireland.

Thanks to this fund many sporting organisations and clubs that were in precarious financial positions have been able to keep their doors open. They are now in a position to rebuild and recover due to this financial lifeline.

- **Building Better Sports Facilities**

Many sports clubs have had to make significant changes to facilities following the pandemic. In October 2021 Sport NI launched Building Better Sports Facilities (BBSF), a small grants programme for sports clubs to apply for grants up to £25,000. The programme was established in response to the facility needs identified in Sport NI's COVID-19 Engagement Survey. Its aim was to contribute to the delivery of increased and sustained participation through modernising facilities, improved environmental sustainability, improved access and inclusion.

The programme saw over 600 applications amounting to over £15M worth of funding requirement. The initial budget for BBSF was £600k but this was increased to £1,125,000. In 2021-22 letters of offer were issued to 48 applicants for a total of £1,124,960. The programme displayed huge appetite for works funding with 359 current eligible applicants in the programme with an ask of approximately £8.5M, which will be worked through when budget becomes available.

### **DRIVING SPORT FORWARD**

COVID-19 and the subsequent recovery period and return to sport did not distract Sport NI in its mission to drive sport forward. Throughout 2021-22 Sport NI continued with its wide range of programmes to support the sports sector, encourage more people to participate in sport and physical activity and support performance athletes to achieve their true potential.

Work in 2021-22 ranged from mountain and watersport safety initiatives to improving school sports facilities for community use and delivering learning and development courses for clubs, coaches, and volunteers.

- **Tollymore National Outdoor Centre (TNOC) & Outdoor Adventure Sport**

During the pandemic, many people rediscovered their local areas, reconnecting with nature and the outdoors and the wide range of outdoor recreation activities available on their doorsteps. Indeed, TNOC and Altnadue Quarry (like many recreation hubs in the Mourne area) continued to be heavily used by climbers, mountain bikers and walkers.

Given this new appetite for outdoor recreation, TNOC engaged extensively with the Mourne Mountain Rescue Team, Adventure Smart UK, Mountaineering Ireland and local providers, to develop and share specific mountain safety information. Work also began on a programme to deliver skills training and information sessions for new users of Stand Up Paddleboards and Sit-On-Top kayaks, as well as for 'wild' swimmers. These sessions will be delivered through TNOC, in conjunction with Swim Ireland and Councils.

As a National Outdoor Centre, partnership working, knowledge creation, dissemination and research are core to TNOC's work. This work continued in 2021-22 with the team working closely with organisations including Mountaineering Ireland, the Canoe Association NI, Cycling Ireland, the Irish Association of Adventure Tourism (IAAT), The Outdoor Partnership (TOP), Mourne Heritage Trust, Waterways Ireland, Field Studies Ireland and Sport Ireland.



Although TNOc course delivery continued to be curtailed by COVID-19, with limited use by Education Authority Schools and funded youth groups, residential skills courses were delivered with reduced capacity in line with NI Executive guidance. TNOc further developed its partnership with Ulster University on Northern Ireland's first undergraduate degree course in adventure sports. The first cohort of students will commence their three-year programme in September 2022.

- **The Club & Workforce Environment**

Throughout 2021-22 Sport NI delivered a variety of learning and development interventions to support coaches, officials, volunteers and clubs. Overall, this resulted in over 4,700 individual learning interactions during the year.

Safeguarding training was delivered both online and in-person with 87 workshops held and 845 people trained.

Sport NI created a new series of Club Experience Workshops to support the people developing their club environment. To widen the scope for delivery of these workshops we facilitated tutor orientations for Governing Bodies, empowering them to deliver the course directly to their clubs. To date 44 workshops have been delivered, supporting 655 people.

Although the SportMaker awards did not take place in 2021 due to the pandemic, Sport NI took the opportunity to recognise the winners of the 2020 awards via social media. Videos of each of the nine winners were published on Sport NI's social media channels in recognition of their achievements.

- **A Culture of Safety at Sports Venues**

Sport NI continues to embed a culture of safety at sports venues across NI. In addition to providing support, advice and guidance to district councils, sports and venue operators on venue safety, Sport NI, through the Sports Ground Safety Authority (SGSA), identified safety improvements relating to a number of designated venues.

During 2021-22 Sport NI continued to work closely with the SGSA to ensure support for governing bodies of sport, venue operators and district councils to meet their responsibilities under the Safety of Sports Grounds (NI) Order (2006). SGSA visited all 29 designated venues within the year. They continued to provide advice and guidance to venue operators, and local councils through attending Safety Advisory Groups (SAGs) and Lead Officer group meetings both remotely and in person.

SGSA and Sport NI provided ad hoc advice to venues throughout the year. Sport NI invested in 28 safety improvement projects at designated grounds throughout Northern Ireland, resulting in enhanced provision of safety equipment and access/egress improvements for spectator safety.

COVID-19 resulted in new challenges for Sport NI and the return of sport at all levels. A joint working group was set up between Sport NI, DfC and major sports venue and

event organisers, entitled Return of Spectators to Sport, to work in a cohesive way during the evolving pandemic pursue the loosening of social restrictions.

- **Your School Your Club (YSYC)**

The school estate across Northern Ireland offers huge potential to improve sporting provision, and Your School Your Club funds projects that seek to open facilities up for joint school and community benefit. During 2021-22, Sport NI facilitated three projects that enabled improved club & community access to school sports facilities. These included a new flood lit pitch at St Louis Grammar School in Ballymena, a synthetic flood lit pitch at Carrickfergus Grammar School and upgraded facilities at Waringstown Primary School.

Sport NI is a key contributor to the Your School Your Club Joint Working Group; working closely with DfC (Chair & secretariat), Department for Education (DE), Department for Agriculture, Environment & Rural Affairs (DAERA) the Education Authority and district councils (represented by the Chief Leisure Officers' Association).

Sport NI has worked with partners in the YSYC working group to establish up to 10 potential projects that could avail of funding and are committed to mobilising several of these in the coming year.

- **Governance, Leadership and Culture**

The Governance, Leadership and Culture team supported governing bodies at board and senior management level on a wide range of issues during the year, adding value to sports. At a strategic level, Sport NI was part of the Developing Governance Group working on the revised Code of Good Governance, launched in December 2021.

Legal support was provided through the Legal Panel Framework, culminating in professional support being accessed through the Legal Panel and enabling a significant pro-bono element of work to be provided.

Safeguarding services continued to be provided to sports, though the contract with NSPCC Child Protection in Sport Unit. In conjunction with the other UK Sports Councils, the UK Recognition Policy was applied, for sports and governing bodies for those sports.

On Anti-doping, the Clean Sport Plan 2021-25 was commenced and included education ahead of the Birmingham 2022 Commonwealth Games with advice and monitoring of policy implementation.

## **COMPETING ON THE WORLD STAGE**

2021-22 saw a return to near-normal levels of competition across all sport, but 2021 was a year like no other for our elite athletes with the Tokyo Olympics taking place a year later than originally planned. Combined with the struggles of maintaining a training schedule during the various lockdowns due to COVID-19, our athletes and coaches were now having to prepare for an out-of-cycle Olympics closely followed by a Commonwealth Games the next year.

Despite these challenges the Tokyo Olympics saw the largest ever number of competitors from NI, with 31 athletes competing across 11 different sports and seven NI athletes competing in the Paralympics across six different sports. Staff at Sport Northern Ireland Sports Institute worked tirelessly to support athletes, coaches and governing bodies to ensure that athletes were ready to compete and excel in their chosen disciplines.

- **Sport Northern Ireland Sports Institute (SNISI)**

The Sports Institute focuses on improving sport performance through the provision of science, medicine and programme support to National Governing Bodies. Institute staff work directly with coaches and athletes to maximise the training gains needed to enhance performance and were integral in preparing our athletes for the rescheduled Tokyo Olympics.

- **Performance Science**

The conventional sports science disciplines of Performance Analysis, Performance Nutrition, and Physiology make up the Performance Science Unit. The unit's multi-disciplinary team is integral to an athlete's development as they use their knowledge and expertise in nutrition, physiology and performance aspects of their sport to ensure athletes realise their true potential. This knowledge was vital for preparing our elite athletes for the Olympics and Paralympics in 2021.

Expertise within the SNISI physiology team was drawn on to develop integrated travel, acclimation and performance strategies for sports and athletes. The physiology and nutrition staff used the environmental chamber at Ulster University to recreate the Tokyo climate and facilitate training in the extremely challenging conditions (high heat and humidity) the athletes were due to experience.

The Head of Performance Science led the physiology support for Team Ireland in preparation for the Olympics, while a total of three physiologists travelled to Japan with specific sports (athletics, boxing and hockey) to support Team Ireland athletes during their final preparations and taper for competition.

The experiences and learnings of Tokyo are now currently being applied as key personnel prepare sports and their participants for the Birmingham 2022 Commonwealth Games.

- **Performance Skills Unit**

This unit is made-up of Sport Psychology, Performance Lifestyle and Performance Analysis services that are delivered to enhance the performance of athletes and develop the expertise of coaches.

Last year the unit performed a key role in the preparation and attendance of elite athletes at the Olympics and Paralympics in Tokyo. Head of the Performance Unit was selected as Team NI Welfare officer for Birmingham 2022 Commonwealth Games.

The Performance Skills Unit also delivers sport psychology and performance lifestyle support to major team sports including Ulster GAA, Cricket Ireland, Ulster Rugby (Performance Analysis) in assisting them to build capability and capacity within their sports and assist in preparing athletes and coaches within these sports to compete at the highest level.

- **Strength and Conditioning (S&C)**

The Strength and Conditioning (S&C) Unit provides support for athletes at international, national and regional level to enhance and facilitate their performances in their chosen sports. In 2021-22 the unit delivered support to 19 sports' performance programmes and supported high performance athletes and their sports through their return to sport during COVID-19. Staff from the Strength and Conditioning unit supported athletes at the Tokyo Olympics and Paralympics with one staff member managing the S&C facility for Team GB in Tokyo.

The team also further developed strength diagnostics protocols thanks to equipment and system procurement and internal and external collaborations.

- **Physiotherapy**

Physiotherapy and Sports Medicine services continued to play an integral role in providing support to athletes within a wide range of sporting programmes and at Games level. In 2021-22 physiotherapy service support was delivered to 20 Sport NI supported sports and programmes. Staff members attended the Tokyo Olympics with their respective sports and four members of staff, including the Head of Physiotherapy, were selected for Team NI for the Commonwealth Games in Birmingham. The Head of Physiotherapy and two Sports Medicine Physicians were also appointed to the expert panel for the Department for Communities (DfC) Return to Sport working group.

- **High Performance**

The focus of work in the high-performance domain is to help athletes to win medals at World, Olympic/Paralympic, European or Commonwealth games levels. This is achieved through financial investment (Sporting Winners Programme) but also provision of expertise from the Sport Northern Ireland Sports Institute (SNISI). Investment in governing bodies of sport either regionally (Northern Ireland/Ulster) or nationally (Great Britain/Ireland) recognises Northern Ireland's position at the intersection of both the British and Irish performance sport pathways.

The high performance component of Sport NI's work often focuses on creating a 'springboard' effect to fast-track athletes from Northern Ireland onto national squads

and eventually onto success in international competition. Strategic work with partners Sport Ireland and UK Sport remains critical in this regard.

- **Performance People & Pathway Development**

Sport NI receives investment from UK Sport to align and enhance practice in sports pathways across the Home Nations. In 2021-22 Sport NI successfully delivered a new performance coach developer learning programme with 10 coach developers from seven sports. We also held three pathway community of practice learning events and completed three pathway health checks and were involved in a UK wide research project to investigate the inclusion landscape within talent and performance pathways.

## Sport NI Performance Management

Sport NI has in place a Performance Management Policy. This provides a framework for managing staff performance, including the application of the Sport NI's Competency Framework and implementation of the annual Performance Cycle.

The policy adds value through a consistent approach to performance management in the organisation, ensuring staff at all levels understand their roles and responsibilities in managing their own and others' performance.

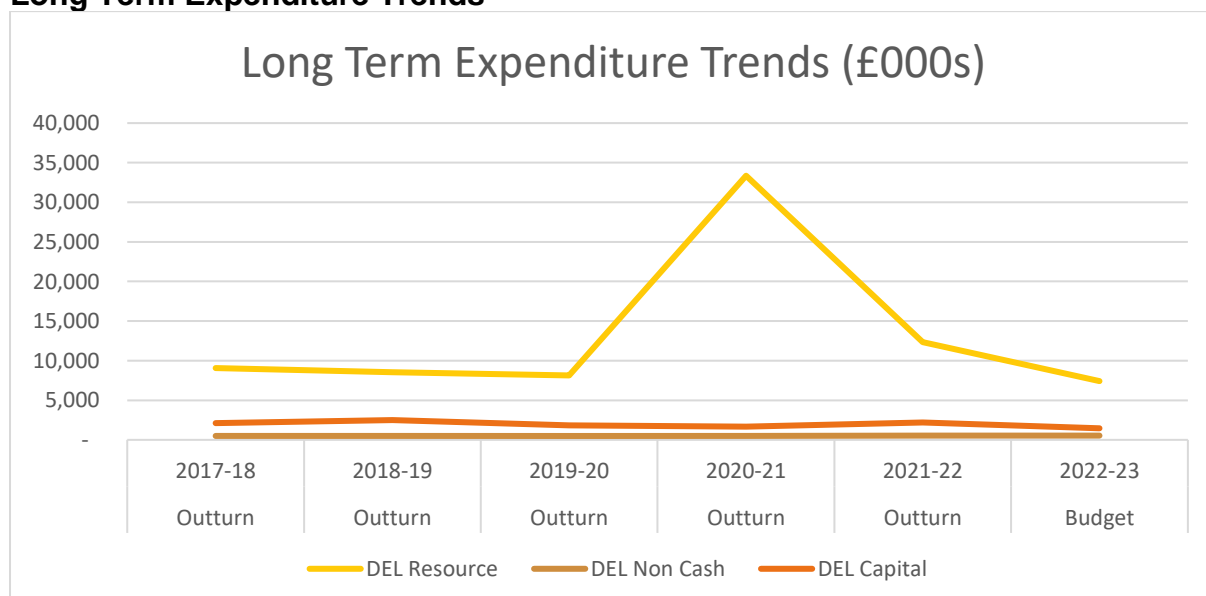
## Communications

Communications Unit activity centred on the return to sport after COVID-19, promoting the Supporting Sport to Build Back Better, and COVID-19 Recovery programmes which aimed to support the sports sector as it emerged from the pandemic. The Unit promoted the various strands of the initiatives through a range of different communication channels and illustrated its vital impact on sports and clubs across NI. The Unit also helped drive research and surveys on important issues such as women and girls in sport, UK wide talent and performance pathway inclusion and race and racial inequality research.

## Financial Results

During the course of the financial year, Sport NI continued to demonstrate sound financial management. Sport NI's key financial target is to operate within the allocated budget for the year. At the end of the year Sport NI realised total net expenditure of £14,913,184 (2020-21: £35,332,028). The taxpayers' equity at the year-end is a deficit of £10,300,722 (2020-21: £11,039,534) which includes a pension reserve liability of £11,693,000 (2020-21: £16,326,000).

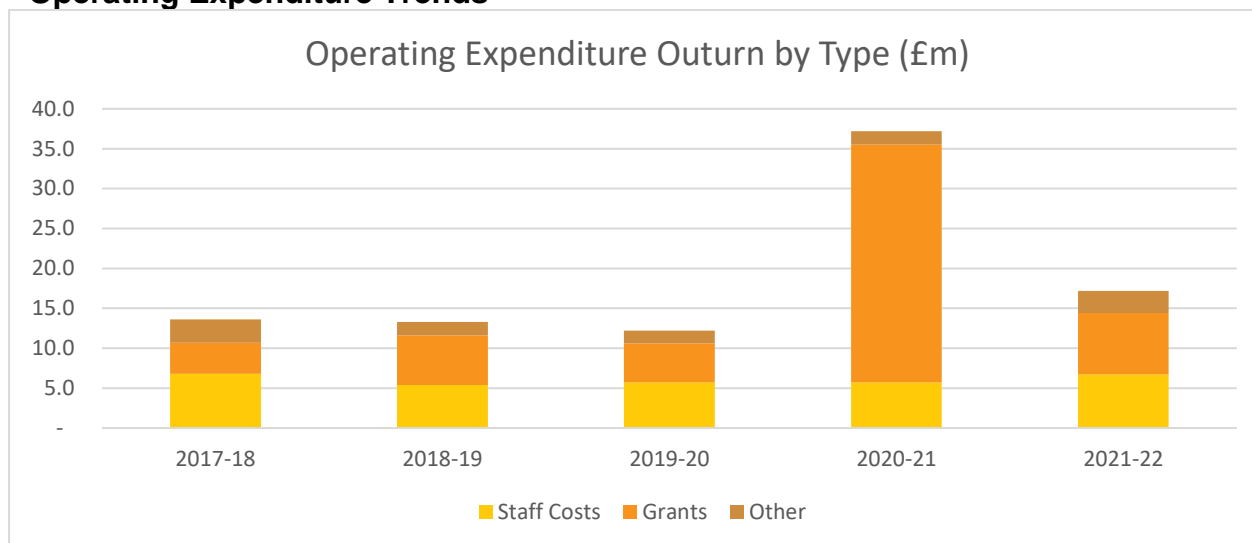
## Long Term Expenditure Trends



## Sport NI Exchequer Account 2021-22

The graph shows that Sport NI's long term expenditure trends have been relatively consistent for the past five years with regards to DEL non cash costs and DEL capital. DEL Resource expenditure was higher in 2020-21 due to an additional £26m grant investment on covid recovery programmes.

### Operating Expenditure Trends



The graph shows net operating expenditure decreased in 2021-22 compared with 2020-21 levels. As outlined above, this decrease was as a result of an additional £26m investment on COVID recovery in the prior year. COVID-19 grants schemes were provided in 2020-21 to support the sporting sector with the major financial pressures sporting organisations and clubs were coming under as a result of COVID-19. Staff costs increased by £940k in 2021-22, £672k of the in-year increase was attributable to pension cost. There were smaller movements in other cost categories.

### Social Matters

Sport NI staff administer a "Staff Fund" independently from the operations and objectives of the Lottery account. The Staff Fund is a voluntary social enterprise with an average of 78 contributing members during the year. Its purpose is to provide for a members' fund to finance social, charity and group activities as may from time to time be agreed upon by its committee, which is elected annually by the members.

### Political and Charitable Donations

Sport NI made no political or charitable donations during the year (2020-21: Nil).

### Non-Current Assets

The movement on non-current assets is reported upon in Notes 5 and 6 of the accounts. During the year assets increased in value by £78,025 mainly due to new assets purchased in year, offset by £26k reduction in TNOC value and depreciation. (2020-21: £192,156 of a decrease).

## **Research and Development**

As part of Sport NI's role to lead with a knowledge-based evidenced approach, we commissioned, conducted and contributed towards a range of research projects during 2021-22. This included:

- Race and Racial Inequality In Sport Research;
- UK-Wide Talent and Performance Pathway Inclusion Research;
- Active Healthy Kids Global Alliance, Children and Youth Physical Activity Report Card for Ireland;
- All Island Physical Literacy Consensus Statement;
- Children's Sport and Physical Activity Survey;
- Women and Girls Leadership Survey;
- Outdoor Sports Participants Motivations Research; and
- COVID-19 – One Year On - Understanding the Sporting System & COVID-19 related Need in Northern Ireland.

## **Interest Rate and Currency Risk**

Sport NI has no borrowing, relying primarily on Departmental grants for its cash requirements and is therefore not exposed to liquidity risks. It has also no material deposits. Therefore, Sport NI is not exposed to material interest rate risk and as all significant assets and liabilities are determined in sterling it is not exposed to material currency risk.

## **Payment of Suppliers**

Sport NI is committed to the prompt payment of bills for goods and services in accordance with the Confederation of British Industry's Prompt Payment Code. The target for payment of bills is 10 days from receipt of goods or services, or presentation of a valid invoice or similar demand, whichever is later. During 2021-22 Sport NI paid 82% (31 March 2021: 98%) of invoices within 10 working days and 97% (31 March 2021: 92%) of invoices within 30 days. Overall, for the year, the average number of days taken to pay invoices was 11 days (2020-21: 16 days). The delays were as a result of change over in staff.

## **Pension Fund (Audited Information)**

All assets, liabilities and operating costs of Sport NI's pension scheme are recorded in the accounts of Sport NI Exchequer entity. The salary charges to Lottery in-year include a recharge of employer pension costs of £131,585 (2020-21: £105,724).

The market value of Sport NI's share of the Northern Ireland Local Government Officers' Superannuation Committee (NILGOSC) pension scheme's assets (excluding Additional Voluntary Contributions) at 31 March 2022 was £32.914m (31 March 2021: £31.470m) and the present value of Sport NI's share of the scheme liabilities was £44.607m (31 March 2021: £47.796m). Sport NI's share of the Scheme recorded net pension liabilities at 31 March 2022 was £11.693m (31 March 2021: £16.326m). The accounting policy for pensions is disclosed in Note 1.15 in the notes to the accounts.



## **Accounts and Appointment of Auditors**

The Accounts of Sport NI are prepared in a form directed by DfC with the consent of Department of Finance in accordance with Articles 7 and 8 of the Recreation and Youth Service (Northern Ireland) Order 1986.

The financial statements are audited by the Comptroller and Auditor General (C&AG) in accordance with Article 7 of the Recreation and Youth Service (Northern Ireland) Order 1986. The C&AG is head of the Northern Ireland Audit Office. She and her staff are wholly independent of Sport NI. She reports her findings to the Northern Ireland Assembly.

The fee for the audit of these financial statements is £33,000 (2020-21: £31,000). This cost is included in Operating Expenditure Note 3C in the financial statements.

## **Complaints Handling**

Sport NI operates a complaints procedure to handle general complaints about its service. Complaints can be made informally by telephone or formally in writing. The Complaints Procedures can be found on the Sport NI website at: <http://www.sportni.net/about-us/procedures/>

There were four complaints received in the 2021-22 financial year (2020-21: two). The complaints were about governance within a sport; an award under the Sports Hardship Fund; an award under the Building Better Sports Facilities fund; and feedback on a recruitment process.

## **Impact Of Business On The Environment**

Sport NI is committed to leading the sports sector to make significant progress on reducing its environmental footprint, contributing to reducing carbon emissions and becoming self-sustaining. We will contribute to the delivery of recommendations made in the Environmental Strategy for NI, particularly Outcome 2 - Healthy & Accessible Environment & Landscapes everyone can connect with and enjoy. We also recognise the commitment in New Decade New Approach to legislation setting out the route-map to tackling climate change and will drive a sustainability agenda towards the greening of sport. Our corporate plan commits to reduce our carbon footprint and contribute to reduce emissions to become self-sustaining.

A key enabler and delivery platform for much of this work will be a revised Sport NI Environmental Policy, which aims to:

- Ensure compliance with, and when possible exceeding of, all legislative and policy requirements in terms of environmental responsibility;
- Ensure that Sport NI minimises impacts on the local and global environment as much as is reasonably practicable while still promoting and developing sport and physical recreation;
- Promote the responsible and efficient use of natural resources among all staff; and

- Where possible enhance local and regional biodiversity when supporting developments.

Specifically in respect of ongoing COVID-19 restrictions, Sport NI has continued to see a significant reduction in business travel and Sport NI is committed to more sustainable approaches to travel/transport in the future.

### **Respect for Human Rights and Equality**

Sport NI is deeply committed to equality, diversity, inclusion and respect for human rights. We will prioritise the dignity and welfare of our staff and stakeholders. During the course of their employment, no employee receives less favourable treatment or is discriminated against on the grounds of their sex including gender reassignment, pregnancy or maternity leave, marital or civil partnership status, sexual orientation, race or ethnic origin, religious belief, political opinion, national identity, age, or disability.

Sport NI is a member of the Northern Ireland Sport and Human Rights Forum, and has engaged with the NI Human Rights Commission in the development of our Corporate Plan.

### **Rural Needs Act (NI) 2016**

The Rural Needs Act introduced a duty on public authorities in Northern Ireland to have due regard to rural needs when developing, adopting, implementing or revising policies, strategies and plans. Sport NI remains committed to ensuring that the specific needs of its stakeholders, rural or urban, are taken into account in its programme development.

This commitment has now been mainstreamed into Sport NI decision-making processes and is being carried out as part of our 'business as usual' activity.

### **Anti-corruption, Anti-fraud and Anti-bribery Matters**

Sport NI has a number of policies in place which are designed to minimise the risk of fraud. These are: Anti-Fraud and Corruption Policy & Procedures, Conflicts of Interest Policy & Procedures, Whistleblowing Policy & Procedures and Gifts and Hospitality Policy & Procedures.

During the 2021-22 year there was 1 new whistle-blowing case referred to the Chief Operating Officer. This case has been closed, none of the allegations were not substantiated and no further action is being taken. There were no reported incidents of suspected fraud. (2020-21: none).



**Antoinette McKeown**  
**Accounting Officer**

**Date: 24 October 2022**

## **Accountability Report**

The Accountability Report has three sections: a Corporate Governance Report; a Remuneration and Staff report; and an Assembly Accountability and Audit Report.

### **Corporate Governance Report**

The purpose of the Corporate Governance Report is to explain the composition and organisation of Sport NI's governance structures and how they support the achievement of its objectives. The Corporate Governance Report includes the Directors' Report; the Statement of Accounting Officer's responsibilities; and the Governance Statement.

### **Directors' Report**

Sport NI performed a wide range of functions during the year ending on 31 March 2022. Principally this was providing leadership, engagement and support to the sporting sector (including financial) during the COVID-19 pandemic. It also included research, knowledge gathering and advising DfC and other government departments, local government, the Education Authority and other interested bodies on issues relating to sport and physical recreation. It encouraged participation in sport through provision of facilities & equipment, coaching, improving governance and support for sporting structures, and supporting the organisation of sporting events and competitions. Sport NI is also one of the distributing bodies of National Lottery funding.

Appointments to the Board are made by the Minister for Communities. The Chair and members of the Board have individual and collective responsibility to the Minister as Head of Department.

The Chief Executive of Sport NI is Antoinette McKeown.

Sport NI is vested in and administered by a body corporate known as the Board of Sport NI, consisting of a Chair, Vice-Chair and eight members (as at 31 March 2022) appointed by the DfC Minister, as set out in the Recreation and Youth Service (Northern Ireland) Order 1986. The Board of Sport NI for the year ended 31 March 2022 is shown below:

**Board Members of Sport NI and members of its Audit and Risk Assurance Committee**

**Board: 1 April 2021 to 31 March 2022**

George Lucas (Chair)  
Jay Colville (Vice-Chair)  
Richard Bullick  
Wilma Erskine  
Kyle Ferguson  
Kieran Harding  
Gavin Boyd (From 1<sup>st</sup> August 2021)  
Wendy Elliott (From 1<sup>st</sup> August 2021)  
Denise Burns (From 1<sup>st</sup> August 2021)  
Darryl Petticrew (Resigned 17<sup>th</sup> March 2022)

**The members of the Audit and Risk Committee for the year ended 31 March 2022 were:**

Jay Colville (Chair)  
Kyle Ferguson  
Gavin Boyd (From 1<sup>st</sup> August 2021)  
Denise Burns (From 1<sup>st</sup> August 2021)  
Kieran Harding (Stepped down from December 2021)  
Michael Matthews (Co-opted member)  
Darryl Petticrew (Resigned from Sport NI Board 17<sup>th</sup> March 2022)

Several members of the Board of Sport NI and members of key management staff are also involved with other sports organisations in Northern Ireland either directly or indirectly as a result of a family relationship, a close friendship or business relationship. All individuals make an annual declaration of their interests and do not take part in discussions and decisions to make grant awards to those organisations with which they have a declared interest. A list of awards made to the organisations concerned and details of who made the declaration of interest is detailed in Note 16. The Register of Interests is also online on Sport NI's website available using the following link: <http://www.sportni.net/about-us/register-of-interests/>. All of the transactions relating to the organisations were conducted at arm's length by Sport NI.

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

Under Article 7 of the Recreation and Youth Service (Northern Ireland) Order 1986, DfC has directed Sport NI to prepare a statement of accounts in the form and on the basis set out in the Accounts Direction for each financial year. The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of Sport NI and of its net resource outturn, application of resources, changes in taxpayers' equity and cash flows for the financial year.

In preparing the annual 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 DfC including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis;
- Make judgements 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;
- Prepare the financial statements on a going concern basis; and
- Confirm that the Annual Report and Accounts as a whole is fair, balanced and understandable and take personal responsibility for the Annual Report and Accounts and the judgments required for determining that it is fair, balanced and understandable.

The Accounting Officer of DfC has designated the Chief Executive as Accounting Officer of 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 Managing Public Money Northern Ireland (MPMNI).

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

## **Governance Statement**

### **Scope of Responsibility**

As Accounting Officer, I have responsibility for ensuring Sport NI's business is conducted in accordance with the law and proper standards, and that public money is properly accounted for, and used economically, efficiently and effectively. In discharging this overall responsibility, I am responsible for ensuring the existence of a robust framework of governance and accountability designed to instil a sound system of internal control, manage risk and support the achievements of Sport NI's objectives whilst safeguarding public funds and departmental assets in accordance with the responsibilities assigned to me in MPMNI. I am also personally responsible for ensuring compliance with the requirement of Sport NI's Management Statement and Financial Memorandum (MSFM) and Statement of Financial Requirements.

This responsibility is supported by: the Board; Remuneration Committee; Audit and Risk Assurance Committee; internal and external audit; Sport NI's Corporate Risk Register; and accountability meetings with DfC.

I also combine my Accounting Officer role with my responsibilities to DfC including any Ministerial directions. There were no Ministerial directions in the 2021-22 financial year.

### **Corporate Governance Code**

Sport NI complies with the principles of good practice detailed in corporate governance in central government departments: Code of Good Practice NI 2013 issued by Department of Finance and Personnel (now Department of Finance (DoF)) under cover of their letter DAO (DFP) 06/13.

Two principles were less relevant to Sport NI:

- (a) Board composition, because the DfC Minister makes appointments to the Board. However, the Board has the authority to co-opt to its committees where it deems a skill or experience is required; and
- (b) Arm's Length Bodies (ALBs). This principle has negligible relevance as it was directed towards Departments and their governance arrangements with ALB Boards.

There were no departures in the 2021-22 financial year from the application of relevant principles.

Sport NI's Lottery Accounts remain in audit arrears with the National Audit Office (NAO). Sport NI are working with NIAO and NAO on a timeframe to complete all outstanding Lottery Audits. Progression against agreed completion targets will be monitored by Sport NI Board.

## **Conflicts of Interest**

Sport NI's has in place a Declaration of Interests Policy. This policy and supporting procedures aim to:

- Safeguard staff and Board Members from real, potential and perceived conflicts of interest;
- Safeguard the integrity of Sport Northern Ireland's business operations;
- Provide clear guidance on expected standards and protocols around the declaration of interests and management of conflicts of interest;
- Ensure transparency and accountability; and
- Provide remedial measures.

Sport NI is committed to maintaining an honest, open and well-intentioned atmosphere within the organisation. Board Members and all staff must complete annual declarations of interests and take all necessary steps to ensure that personal interests do not conflict with the activities of Sport NI, including stepping away from any discussions and decisions on issues for which they have a perceived or actual conflict of interest. The declarations are reported in a Conflicts of Interest Register. A list of awards made to the organisations with perceived conflict and details of the declaration of interest is detailed in Note 16. Directors are responsible for managing real, potential and perceived conflicts of interest within their area of responsibility, and the Executive Leadership Team review the register on a regular basis.

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

The term 'Corporate Governance' describes the way in which organisations are directed, controlled and led. The purpose of a Corporate Governance Framework is to facilitate accountability for the effective and efficient delivery of an organisation's statutory responsibilities or aims and objectives. Sport NI is established to deliver on its statutory obligations under the Recreation and Youth Service Order (Northern Ireland) 1986 and is funded by public monies to do so. The corporate governance arrangements provide the framework to ensure that Sport NI delivers on its statutory obligations and that it does so in accordance with the requirements placed on all publicly funded bodies regarding the stewardship of resources.

Sport NI has an established system of internal control which is based on an ongoing process designed to identify and prioritise risks to the effective and efficient achievement of the organisation's key business objectives and priorities. The system of control also provides an assessment of the likelihood of risks being realised and the consequent impact for effective and efficient management of risks. This system of internal control has been designed to manage risk to an acceptable level rather than to eliminate risk entirely and as such does not provide absolute assurance of effectiveness.

## **Governance Framework**

There are four key organisational roles and structures defined within the corporate governance arrangements. These are The Executive Leadership Team (ELT); Sport NI Board; Audit and Risk Assurance Committee and the Remuneration Committee.

### **Executive Leadership Team**

From 1 March 2021, Sport NI's approved Executive Leadership Team (ELT) was structured as follows: Chief Executive Officer, Director of Sport, Chief Operating Officer, Head of Sports System, and Head of Policy & Innovation. An organisational chart is shown on page 8. The table on page 48 details in year movement in the ELT. The ELT supports the Board and me, as Chief Executive, by providing collective leadership and corporate collective responsibility for effective management of the organisation and taking ownership of Sport NI performance. Meeting weekly, it oversees how Sport NI plans, sets, communicates and monitors its corporate objectives.

Sport NI has developed systems of internal control and risk management in line with best practice guidelines. Directors have the appropriate and relevant professional skills and competences to provide the assurance that these controls are operating efficiently and effectively.

### **Finance, Governance and Human Resources Sub-Committee**

In early 2021, it was agreed that in the interests of efficiency, it would be more appropriate that the Finance and Governance Sub-Committee and the Human Resources Committee, be subsumed into the existing Executive Leadership Team meetings. This arrangement has been in place throughout most of 2021-22. Members of the Finance & Procurement teams, or HR officials regularly attend Executive Leadership Team meetings to support the Chief Executive and Executive Leadership Team, through active dialogue and reporting, on matters pertaining to financial management, internal control, risk governance or HR respectively.

### **Board**

The Chair and members of the Board have individual and collective responsibility to the Minister as Head of Department to:

- Provide effective leadership for Sport NI, in particular in defining and developing its strategic direction and in setting challenging objectives;
- Act in a way that promotes high standards of public finance, including the promotion of regularity, propriety and value for money;
- Ensure that Sport NI's activities are conducted in an efficient and effective manner;



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- Ensure that strategies are developed for meeting Sport NI's overall objectives in accordance with the policies and priorities established by the Minister;
- Monitor Sport NI's performance to ensure that it fully meets its aims, objectives and performance targets;
- Ensure that Sport NI's control, regulation and monitoring of its activities as well as those of any other bodies which it may sponsor or support, ensures value for money within a framework of best practice, regularity and propriety;
- Participate in the corporate planning process; and
- Appoint a Chief Executive.

The Board held 12 meetings during the 2021-22 year to determine policy for Sport NI and make decisions in line with that policy. I attended 12 Board meetings. Directors, managers and I produced papers and information to assist Board decision making.

The Board has a rolling work-plan and achieved its objectives, which were set out during the year. The overall average attendance rate of members was 77%.

### 2021-22 Board/Committee Attendance

	Board Meetings			ARAC Meetings			Total Meetings		
	Attended	Held	%	Attended	Held	%	Attended	Held	%
George Lucas (Chair)	12	12	100				12	12	100
Jay Colville (Vice Chair)	11	12	100	5	6	83	16	18	89
Richard Bullick	8	12	67				8	12	67
Wilma Erskine	8	12	67				8	12	67
Kyle Ferguson	10	12	83	6	6	100	16	18	89
Kieran Harding	8	12	67	3	4	75	11	16	69
Gavin Boyd	9	9	100	3	4	75	12	13	92
Wendy Elliott	9	9	100				9	9	100
Denise Burns	5	9	56	3	4	75	8	13	62
Darryl Petticrew	5	12	42	2	6	33	7	18	39
Michael Matthews (Co-opted to ARAC)				3	6	50	3	6	50

Members of the Board have delegated some of their tasks to two sub-committees which oversee the activities of management and provide support:

- Audit and Risk Assurance; and
- Remuneration.

### Audit and Risk Assurance Committee

The Audit and Risk Assurance Committee comprises five members and one co-opted member, and is chaired by the Vice-Chair of the Board. It met seven times during the year, I attended six of those meetings. The Chief Operating Officer deputised at the meeting I was unable to attend. The Audit and Risk Assurance Committee has a rolling work-plan and measures its performance by the achievement of its objectives.

Its terms of reference include supporting the Board and Accounting Officer by reviewing the comprehensiveness of assurances in meeting the Board and Accounting Officer's assurance needs, and by reviewing the reliability and integrity of these assurances; the activities of the internal and external auditors and overseeing the risk culture of Sport NI; and also reviewing its own effectiveness, constitution and terms of reference and reporting the results of that review to the Board.

The Audit and Risk Assurance Committee Handbook (NI) 2018, issued under cover of DAO (DFP) 03/18, sets out five principles to be followed. These principles are:

Principle 1: Membership, independence, objectivity and understanding;

Principle 2: Skills;

Principle 3: The role of the Audit and Risk Assurance Committee;

Principle 4: Scope of work; and

Principle 5: Communication and reporting.

The Board has formally considered these and confirmed it complied with the principles. The Committee makes regular reports to the Board. Board Members are satisfied that the Committee is providing them with assurance.

### **Remuneration Committee**

The Remuneration Committee comprises four members. Wilma Erskine was appointed Chair of the Committee on 1 January 2021 by the Chair of the Board. Its remit covers only remuneration and not functional staffing matters. The Committee has specific responsibility for:

- The appointment of the CEO;
- Terms and conditions of the CEO;
- Approving the appraisal of the CEO as recommended by the Chair; and
- Approval of performance appraisal of directors as recommended by the CEO.

The Remuneration Committee meets as required. The Remuneration Committee met on 10th August 2022.

### **Business Planning**

Each year of the five year strategic plan, amplified as necessary, forms the basis of the business plan for the forthcoming year. The business plan includes business actions, key performance indicators, milestones and targets linked to the Programme for Government and Public Service Agreements for the forthcoming year. It also links to budgeting information so that resources allocated to achieve specific objectives can readily be identified by DfC. The five-year strategy and annual business plan takes into account DfC's priorities and is framed in that context.

Sport NI's business plans are submitted to DfC for approval and include measures of performance and annual targets in respect of each of those measures and the proposed annual efficiency. The business planning system incorporates the key Sport NI objectives and the associated targets to meet those objectives. The ET reports on these targets formally on a quarterly basis to me, and I in turn report to the Board and to DfC's Sponsor Team at the governance and accountability meetings. Sport NI's 2021-22 performance against business targets is outlined within the Performance Report.

A five year Corporate Plan was developed by the Board and the Executive Leadership Team for 2021-26 in line with the CEO's responsibility as Accounting Officer for Sport NI. Public Consultation closed in February 2021, but engagement continued with key stakeholders including departmental officials to secure final Ministerial approval in early March 2022.

### **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.

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 was reviewed by the Sport NI Board and Executive Leadership Team in November 2021. This resulted in the identification of nine new corporate risks:

1. Failure to manage expectations and / or gain alignment with priorities of the Department
2. Fail to maximise on the publicity opportunity relating to the benefits of sport
3. Unable to achieve and sustain the right organisation structure and culture
4. Unable to achieve digital transformation required (internally and externally)
5. Failure to protect the health, safety and well-being of our staff and service users
6. Sub-optimal partnerships and collaborations
7. Failure to develop inclusivity for all in Sport
8. Failure to develop operational continuity and resilience plans.
9. Not understanding / preparing for the implications of climate change on sport, both positive and negative.

The Corporate Risk Register is compiled and managed by the Executive Leadership Team, and is reviewed quarterly. Members of ARAC have attended these review meetings. This review process facilitates the identification, assessment and ongoing monitoring of risks significant to Sport NI. During 2021-22, the Corporate Risk Register was a standing item at each meeting of the Audit and Risk Assurance Committee and the Board.

All policy papers put to the Board for decision contain a discussion of the risks associated with taking the possible courses of actions. The Board also regularly discusses the risks on the Corporate Risk Register with the risk owners. The Board has considered the quality of data used by the Board across all business areas and finds the information provided by management suitable for the purposes of making effective decisions.

Areas of particular focus during 2021-22 were as follows:

### **1. Transformation Programme**

Sport NI is currently working through a Route Map for organisational development, as part of an organisational transformation journey, focussing on organisational leadership, culture, communication and governance, which are vital to achieving necessary, successful and sustained change. The organisation has four critical component parts of the Route Map: culture transformation; strategy; organisational structure and; digital transformation.

### **2. McBride Judgment**

In May 2019 a decision reached in the High Court held that a specific Non Departmental Public Body, as a body corporate, under its governing legislation could not lawfully delegate its decision making functions to its staff alone. Sport NI has also been identified as a similar body corporate under legislation, with consequence on the Board's ability to delegate decision making functions to staff alone. Following consideration of the judgment and having carried out an assessment of the potential impact on the ability of the organisation to carry out its functions, the Board:

- Can confirm it was involved in all major funding decisions including grants paid;
- Is content that sufficient oversight has been, and continues to be, in place to allow Sport NI, with the assistance of its staff, to deliver its programme of work; and
- Is content with the regularity of expenditure incurred by Sport NI
- Will regularly review its responsibilities in relation to the judgement.

### **3. COVID Response**

Throughout 2021-22 COVID-19 continued to be a global challenge. Sport NI staff worked with relevant stakeholders to deliver against objectives and support the Sport sector through the challenges of the pandemic.

The Comptroller & Auditor General published a Report on the Sports Sustainability Fund (SSF), in June 2021, which was considered by the Public Accounts Committee. The Report acknowledged that SSF was an important scheme that had to be designed and delivered at pace, and that delay could have resulted in the scheme not meeting its aim.

The Report highlighted a number of learning points that Sport NI has already begun to factor into the design and delivery of future programmes. These include caps on awards or additional requests for information on large awards; consideration of applicant reserves; and only covering losses to a maximum of a zero position.

Sport NI welcomes the Report's view that the scheme was successful in its aim of getting funding to the sports sector to ensure losses incurred, due to COVID-19 restrictions were mitigated. The PAC published its report in February 2022.

### **Legal Action**

Two employees lodged Industrial Tribunal claims against Sport NI in 2019-20. All claims are being vigorously defended by the organisation. The Industrial Tribunal has postponed hearings as a result of the arrangements to prevent the spread of COVID-19. One claim was withdrawn by the employee in February 2022, while no date has been set for the second.

### **Information Assurance**

Sport NI's IT and Information Team safeguards business and personal data. Sport NI adheres to the measures of the General Data Protection Regulations (GDPR). All staff received GDPR online training. Sport NI maintains an Information Asset register which is updated annually. As part of the 2021-22 Internal Audit Plan, RSM conducted an advisory report on GDPR compliance (final report June 2022). Sport NI have accepted recommendations from the report and management actions will be taken forward to ensure implementation and adherence to best practice with regards to General Data Protection Regulations (GDPR).

There were no reportable incidents of a loss of data or information during the year.

### **Governance & Accountability within Sport NI**

The annual internal audit plan is created on a risk basis. Our internal auditors, RSM, who were reappointed in 2021, evaluated our risk management processes and considered that they could place reliance on our risk register to inform the audit plan. They used various sources of information and discussed priorities for internal audit coverage with senior management and Audit and Risk Assurance Committee.

The sources of information included:

- Previous internal audit plan and Annual Assurance report;
- Requests from the senior management team;
- Draft Corporate Plan 2021-26;

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- ARAC requests;
- Board and ARAC minutes;
- Corporate Risk Register;
- Annual report and financial statements; and
- Specific areas requested by DfC for inclusion.

### Sources of Independent Assurance

In accordance with the Public Sector Internal Audit Standards (PSIAS), the Head of Internal Audit is required to provide an annual opinion on the overall adequacy and effectiveness of Sport NI's system of internal control. This opinion is based upon and is limited to the work performed during the year.

RSM is the Internal Auditor for Sport NI and issued an internal audit assurance statement to the Audit and Risk Assurance Committee of Sport NI in respect of the year ended 31 March 2022. For the 12 months ended 31 March 2022, the head of internal audit opinion for Sport Northern Ireland is based upon and limited entirely to the two internal audit reviews in the year and does not provide any assurance over the wider control framework. The opinion is 'Limited'. There are significant weaknesses within the governance, risk management and control framework which, if not addressed, could lead to the system objectives not being achieved.

The Audit and Risk Assurance Committee reviewed and approved the Internal Audit Plan 2021-22 and the Internal Audit Strategy 2021-24 at a meeting in October 2021. I ensured that there was sufficient flexibility in the plan to allow for changes to be made during the year to reflect any significant changes in the risk environment and the emergence of new risks. Due to a series of absences of key staff members to facilitate testing of audit areas selected, the plan was further revised in year and a number of scheduled audits were postponed until 2022/23.

During 2021-22 Internal Audit reviewed the following areas:

Area	Rating	High priority recommendations/concerns
Programme Funding and Government Funding Database	Limited*	Two high priority recommendations: <ul style="list-style-type: none"><li>- Future grants programmes to ensure that all requirements, desired outcomes, and intentions included within the business case are directly addressed within the practical grants administration procedures for the programme.</li><li>- Robust and explicit monitoring and evaluation methods are clearly documented within all future grants administration procedures and that checks are implemented to ensure that these measures are complied with in practice</li></ul>

Review of the Sports Institute – High Performance	Limited*	<p>Three high priority recommendations:</p> <ul style="list-style-type: none"> <li>- Retention of qualification and training records</li> <li>- Sports Institute standalone risk register, formalised risk management and monitoring</li> <li>- Centralised listing containing all equipment that requires routine maintenance or servicing.</li> </ul>
Data Protection Policies and Procedures GDPR Review	Advisory report	<p>Five high priority recommendations:</p> <ul style="list-style-type: none"> <li>- Review Policy and Procedure Framework and ensure that all documents receive appropriate approvals and that arrangements are in place for the periodic review and update of policies and procedures to reflect the most current business environment and processes.</li> <li>- Identify and formally appoint the Information Asset Owners and Senior Information Risk owner, all of which are not currently identified or in post.</li> <li>- A listing of third-party organisations with whom Sport NI exchange data should be collated following the exercise to update the information asset registers.</li> <li>- A data privacy assessment should be completed for each third party with data handling agreements introduced as applicable.</li> <li>- Staff and individuals who provide consent to Sport NI to gather and retain their data should be recorded and evidence of the provision of consent should be centrally stored by the DPO.</li> </ul>

\*Limited - Weaknesses in the system of controls are such that there is limited assurance that the risks associated with this audited system are being effectively managed and controls are not being consistently applied or operating effectively.

Each report outlines the actions to resolve control weaknesses, agreed with management, which when implemented, will further enhance the system of internal control.

All reports of the internal auditors were discussed by ARAC and with senior members of staff in attendance, including those whose departments were reported upon by the auditors. This gave me and members of the Committee the opportunity to discuss, in detail, the findings, recommendations and proposed management actions. Directors that had failings in their respective programme areas identified by the internal auditors were required to devise corrective action and set a completion date for that action in consultation with the internal auditors. I receive regular reports from the auditors notifying me of the progress my Directors have achieved in clearing up points raised by both internal and external auditors in previous years.

Sport NI is in the process of commissioning an independent review of Tollymore National Outdoor Centre and The Sports Institute. These reviews are being commissioned by me and are endorsed by Sport NI Board. The reviews will be carried out during 2022-23. The reports will provide an independent examination of the challenges facing these business areas and will include further consideration of recent audit findings.

The Comptroller and Auditor General to the Northern Ireland Assembly certifies the accounts and provides an opinion whether, in all material respects, the expenditure and income have been applied to the purposes intended by the Assembly and the financial transactions conform to the authorities which govern Sport NI. The Comptroller and Auditor General also provides an opinion on the truth and fairness of the attached financial statement for the year ended 31 March 2022, and their supporting notes.

### **Review of Effectiveness of the Governance Framework**

As Accounting Officer, I have responsibility for reviewing the effectiveness of the system of internal control. My review is informed by the work of the internal auditors and senior management within Sport NI who have responsibility for the development and maintenance of the internal control framework, and comments made by the external auditors in their management letter and other reports. As detailed above, as a result of their work during the year, the internal auditors have produced an annual certificate of assurance with a limited assurance opinion with regards to the adequacy of the systems and the operation of internal controls within Sport NI. I have been advised on the implications of the result of my review of the effectiveness of the system of internal control by the Board and the Audit and Risk Assurance Committee. I have been tasked to develop a plan to address weaknesses and ensure continuous improvement of the internal control system is in place.

The Audit and Risk Assurance Committee will review the plans effectiveness and questions the activities of risk owners.

### **Department for the Communities Partnership Arrangements**

There were four governance meetings held during the year between the sponsor division of DfC and Sport NI in line with the provisions of the Management Statement and Financial Memorandum (MSFM) to discuss and monitor performance against the 2021-22 Business Plan throughout the year. In addition, Sport NI responded to requests for information and to the requirements to submit returns to DfC on a regular basis on a range of matters to satisfy the governance requirements of DfC. After an extensive engagement, the Sport NI Board approved a partnership agreement based on a framework introduced by DoF in March 2022. Sport NI and DfC are working to finalise approval from Permanent Secretary of DfC and subsequently Department of Finance.



## **Unregulated Expenditure**

Between 1 January 2021 and 31 March 2022, Sport NI incurred expenditure against two contracts that had expired. £41k of unregulated spend was incurred against one contract and £28k against the other. Business case approval was in place for the £28k expenditure but retrospective approval was required and obtained from the accounting officer for the £41k. These issues were been identified by procurement team review of paperwork and have been brought to the attention of our Board, DfC and NIAO. The implementation of the new finance system with contract management functionality, and a key control of procurement review of paperwork, will help ensure that an administration error of this type will not reoccur in the future.

## **Quality of Information**

The Board of Sport NI has reviewed the quality of the information made available by the Executive Leadership Team for the purpose of effective decision making. The Board considers that the accuracy, timing and availability of the financial information and the support given to ensure that the Audit and Risk Assurance Committee functions effectively is satisfactory.

## **Events after the Reporting Period**

Events after the reporting period are disclosed in Note 18 of the accounts.

## **Conclusion**

Further to the limited assurance opinion provided by Internal Audit, I have considered identified weaknesses against established controls, relevant mitigations and sought assurance from ELT that action plans are in place to manage internal control issues detected and to improve internal controls going forward. In the context of operational issues that presented during 2021-22 and the volume of audit work conducted, I believe that Sport NI's internal control and governance framework provides me with the level of assurance that I require.

There is nothing of which I am aware that leads me to believe that our systems for detecting and responding to inefficiency, for preventing conflicts of interest, for preventing and detecting fraud and for minimising losses of grant-in-aid are not adequate.



**Antoinette McKeown**  
Accounting Officer

**Date: 24 October 2022**

## **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.

### **Remuneration Report**

#### **Remuneration Policy**

The remuneration of 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. 2019-20 and 2020-21 pay awards were approved and paid to Sport NI staff in December 2021.

Within Sport NI, the Chief Executive is employed on terms similar to Senior Civil Service. A pay remit for Chief Executive's pay from 2014 to 2021 is with Department for Communities for approval. 2021-22 pay remit will be considered upon receipt of approval of current submission. All Executive Leadership Team (ELT) members are employed analogous to Grade 6 or 7. The Chief Executive assesses the performance of Directors. The Remuneration Committee is responsible for approving the Chief Executive's salary and assessing performance.

All staff costs are incurred by Sport NI Exchequer Account and an appropriate amount is recharged to Sport NI Lottery Account. The apportionment is made at full economic costs and calculated on the basis of full time equivalent staff.

#### **Service Contracts**

Sport NI staff appointments are made in accordance with the Sport NI 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 three months for the Chief Executive. Policy relating to notice periods and termination payments is contained in Sport NI Staff Handbook and individual Terms and Conditions of Employment.

**Remuneration and Pension Entitlements (Audited Information)**

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

Employee	2021-22				2020-21			
	Salary* £'000	Benefits in kind (to nearest £100)	Pension Benefits** (to nearest £'000)	Total £'000	Salary* £'000	Benefits in kind (to nearest £100)	Pension Benefits** (to nearest £'000)	Total £'000
Antoinette McKeown Chief Executive	80-85	-	20	100-105	80-85	-	29	110-115
Peter McCabe*** Interim Director of Performance (from 1 <sup>st</sup> - 30 <sup>th</sup> April 2021)	0-5 (55-60 full year equivalent)	-	0	0-5 (55-60 full year equivalent)	60-65	-	78	135-140
John News*** Interim Director of Participation (from 1 <sup>st</sup> -30 <sup>th</sup> April 2021)	5-10 (65-70 full year equivalent)	-	0	5-10 (65-70 full year equivalent)	70-75	-	82	155 - 160
Adrian Doherty Chief Operating Officer	60-65	-	0	60-65	5-10 (60-65 full year equivalent)-	-	2	5-10 (60-65 full year equivalent)-
Richard Archibald Director of Sport	60-65	-	44	105-110	0-5 (45-50 full year equivalent)	-	16	15-20 (65-70 full year equivalent)-
Orlagh Watters Head of Sports System Appointed on 7 <sup>th</sup> September 2021	30-35 (50-55 full year equivalent)	-	22	50-55 (70-75 full year equivalent)	n/a	n/a	n/a	n/a
John Hart Head of Policy and Innovation Appointed on 15 <sup>th</sup> May 2021	45-50 (50-55 full year equivalent)	-	44	90-95 (95-100 full year equivalent)	n/a	n/a	n/a	n/a
Michael Boyd Director of Sport Appointed 7 <sup>th</sup> April 2021. Resigned 16 <sup>th</sup> July 2021	15-20 (55-60 full year equivalent)	-	0	15-20 (55-60 full year equivalent)	n/a	n/a	n/a	n/a

\*Salary costs include salary arrears from previous financial years. A claim has been made for backpay for the CEO resulting from unpaid pay awards from 2014-15 year and is currently being considered. Any arrears paid in relation to this will be disclosed in the remuneration table in the year they are paid.

\*\*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.

\*\*\*John News and Peter McCabe returned to their substantive post on 1<sup>st</sup> May 2021 and both subsequently left the organisation in September and March respectively.

## 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.

## Benefits in kind

The monetary value of benefits in kind covers any benefits provided by the employer and treated by HM Revenue and Customs as a taxable emolument. Benefits in kind of £NIL were paid in 2021-22: Nil (2020-21: £NIL).

## Payments to Past Directors

During 2021-22 there was no monies paid to past directors for backdated pay awards (2020-21: £1,524).

## Fair Pay Disclosures (Audited Information)

	<b>25<sup>th</sup> Percentile</b>	<b>Median</b>	<b>75<sup>th</sup> Percentile</b>
Pay Point	25,229	33,096	42,620
Ratio	3.27	2.49	1.94

*\*Total remuneration includes salary, non-consolidated performance-related pay, and benefits-in-kind. It does not include severance payments, employer pension contributions and the cash equivalent transfer value of pensions.*

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

The banded remuneration of the highest-paid director in Sport NI in the financial year 2021-22 was £80,000-£85,000 (2020-21: £80,000-£85,000). This was 2.49 times (2020-21: 2.65) the median remuneration of the workforce, which was £33,459 (2020-21: £31,137).

In 2020-21, no employees received remuneration in excess of the highest-paid director (2020-21: NIL).

Remuneration ranged from £3,500 to £84,760 (2020-21: £3,500 to £84,760).

Total remuneration includes salary, non-consolidated performance-related pay and benefits-in-kind. It does not include severance payments, employer pension contributions and the cash equivalent transfer value of pensions.

## Compensation for Loss of Office (Audited Information)

No directors of Sport NI received any compensation for loss of office during the year 2021-22 (2020-21: Nil).

**Board Members' Honoraria (Audited Information)**

The Chair received honorarium during 2021-22 totalling £26,880 (2020-21: £26,880). The Vice-Chair received £3,500 (2020-21: £3,500). The level of remuneration was set by DfC to more fairly reflect the actual workload required in the role. The increased time commitment required from the Chair and Vice Chair will continue until such time DfC is satisfied that this can be reduced back again.

No emoluments were paid to other Sport NI Board members in respect of Exchequer activities. Sport NI does not pay any pension contributions on behalf of the Chair or Vice-Chair.

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

**Pension Entitlements (Audited Information)**

Employee	Accrued pension at pension age as at 31/3/22 and related lump sum	Real increase in pension and related lump sum at pension age	CETV at 31/3/22	CETV at 31/3/21	Real increase in CETV
	£'000s	£'000s	£'000s	£'000s	£'000s
Antoinette McKeown Chief Executive	10-15 plus Nil lump sum	0-2.5 plus Nil lump sum	204	176	15
Peter McCabe Interim Director of Performance (from 1 <sup>st</sup> - 30 <sup>th</sup> April 2021)	30-35 plus 50-60 lump sum	0-2.5 minus 2.5-5 lump sum2.5	698	710	-35
John News Interim Director of Participation (from 1 <sup>st</sup> – 30 <sup>th</sup> April 2021)	25-30 plus 25-30 lump sum	0-2.5 Minus 0-2.5 lump sum	412	397	7
Adrian Doherty Chief Operating Officer	NIL plus NIL lump sum	NIL plus NIL lump sum	0	0	0
Richard Archibald Director of Sport	10-15 plus 0-5 lump sum	0-2.5 plus 0 - 2.5 lump sum	140	107	24
Orlagh Watters Head of Sports System (Appointed 7 <sup>th</sup> Sept 21)	5-10 plus NIL lump sum	0-2.5 plus NIL lump sum	96	80	13
John Hart Head of Policy and Innovation (Appointed 15 <sup>th</sup> May 21)	0-2.5 plus NIL lump sum	0-2.5 plus NIL lump sum	22	0	18
Michael Boyd Director of Sport (Appointed 7 <sup>th</sup> April 2021. Resigned 16 <sup>th</sup> July 2021)	NIL plus NIL lump sum	NIL plus NIL lump sum	0	0	0

## Northern Ireland Local Government Officers' Superannuation Committee Scheme

Sport NI participates in the Northern Ireland Local Government Officers' Pension Fund (LGPS) and made contributions for 91 employees. The pension scheme is administered by the Local Government Officers' Superannuation Committee (NILGOSC). The pension scheme is a funded multi-employer defined benefit scheme. The Scheme Actuary, AON Hewitt, is responsible for carrying out full valuations every 3 years. The latest full actuarial valuation was 31 March 2019. The outcome of this valuation was used as the basis for the valuation at 31 March 2022 and to set the level of contributions for employers from 1 April 2020 to 31 March 2022.

The benefits paid under the Scheme are based on length of membership and final salary. NILGOSC maintains 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.

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.

All assets, liabilities and operating costs relating to the pension scheme are processed through Sport NI Exchequer Account, and a recharge is made to Sport NI Lottery Account for any pension costs incurred on its behalf. During the year 21 staff were recharged to Lottery (2020-21: 14).

Employee contribution rates for all members for the period 1 April 2021 – 31 March 2022 were as follows:

Band	Range	Contribution Rate
1	£0 - £15,000	5.5%
2	£15,001 - £23,000	5.8%
3	£23,001 - £38,400	6.5%
4	£38,401 - £46,600	6.8%
5	£46,601 - £92,300	8.5%
6	>£92,9300	10.5%

The employer contribution rate for 2021-22 is 19.5% plus individual employer deficit amount.

Further details about the NILGOSC pension scheme can be found in Note 11 and at [www.nilgosc.org.uk](http://www.nilgosc.org.uk).

Secondes are members of the PCSPS (NI). Further details on this scheme can be found at [www.finance-ni.gov.uk](http://www.finance-ni.gov.uk).

## **Cash Equivalent Transfer Values**

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

## **Real increase in CETV**

This reflects the increase in CETV effectively funded by the employer. It does not include the increase in accrued pension due to inflation, contributions paid by the employee (including the value of any benefits transferred from another pension scheme or arrangement) and uses common market valuation factors for the start and end of the period. However, the real increase calculation uses common actuarial factors at the start and end of the period so that it disregards the effect of any changes in factors and focuses only on the increase that is funded by the employer.

## **Pension scheme triennial valuations**

Details regarding formal triennial valuations of the pension scheme are included in note 11. The 2016 Scheme Valuation requires adjustment as a result of the 'McCloud remedy'. The Department of Finance also commissioned a consultation in relation to the Cost Cap element of Scheme Valuations, which closed on 25 June 2021. The Cost Cap mechanism is a measure of scheme costs and determines whether member costs or scheme benefits require adjustment to maintain costs within a set corridor. By taking into account the increased value of public service pensions, as a result of the 'McCloud remedy', scheme cost control valuation (Cost Cap) outcomes will show greater costs than otherwise would have been expected. On completion of the consultation process the 2016 Valuation will be completed and the final cost cap results will be determined. A case for approval of a Legislative Consent Motion (LCM) has been laid in the Assembly to extend the Public Service Pensions and Judicial Offices Bill to Northern Ireland. An LCM allows the Assembly to consent to legislation for Northern Ireland being made by the UK Parliament for devolved matters. The UK Bill will legislate how the government will remove the discrimination identified in the McCloud judgment. The Bill also includes provisions that employees will not experience any detriment if the adjusted valuation costs breach the set cost cap ceiling but any breaches of the cost cap floor (positive employee impacts) in the completed valuations will be honoured.

## Staff Report

### Staff Costs and Numbers (Audited Information)

#### Staff Costs

Staff costs are incurred by Sport NI Exchequer account and amounts recharged to Sport NI Lottery Account for work on Lottery activities.

	2021-22 £	2021-22 £	2021-22 £	2020-21 £
	Permanently Employed Staff	Others	Total	Total
Wages and Salaries	3,495,982	-	3,495,982	3,181,569
Social Security Costs	307,716	-	307,716	293,389
Pension Costs	2,083,681	-	2,083,681	1,411,227
Agency Costs	-	805,919	805,919	866,976
<b>Sub Total</b>	<b>5,887,379</b>	<b>805,919</b>	<b>6,693,298</b>	<b>5,753,161</b>
Less: Staff Costs Recharged to Sport NI Lottery Account	(1,017,042)	-	(1,017,042)	(715,643)
Less: Recoveries in Respect of Outward Secondments	(69,669)	-	(69,669)	(151,440)
<b>Total Net Costs</b>	<b>4,800,668</b>	<b>805,919</b>	<b>5,606,587</b>	<b>4,886,078</b>

#### Average Number of Persons Employed (Audited Information)

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

#### Sport NI

	2021-22			2020-21
	Permanently Employed	Others	Total	Total
	No.	No.	No.	No.
Directly employed	73	6	79	78
Seconded In		1	1	3
Seconded Out	1		1	3
Agency		25	25	23
<b>Total</b>	<b>74</b>	<b>32</b>	<b>106</b>	<b>107</b>

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



**Sport NI Lottery**

	2021-22			2020-21
	Permanently Employed	Others	Total	Total
	No.	No.	No.	No.
Directly employed	16	-	16	13
Seconded In	-	-	-	-
Seconded Out	-	-	-	-
Agency	-	5	5	1
Total	16	5	21	14

**Number of Directors (Audited Information)**

Director's Salary (Actual)	2021-22	2020-21
£0-£5000	2	-
£5,000-£10,000	-	-
£10,000-£15,000	-	-
£15,000-£20,000	1	-
£20,000-£25,000	-	-
£25,000-£30,000	1	-
£30,000-£35,000	-	-
£35,000-£40,000	-	-
£45,000-£50,000	-	1
£50,000-£55,000	1	-
£55,000-£60,000	-	1
£60,000-£65,000	2	1
£65,000-£70,000	-	1
£70,000-£75,000	-	-
£75,000-£80,000	-	-
£80,000-£85,000	1	1
£85,000-£90,000	-	-
£90,000-£95,000	-	-
£95,000-£100,000	-	-
Total Number of Directors	7	5

The table above includes temporary secondments to Sport NI. Only a proportion of each director's salary is recharged to Lottery.

**Chief Executive's Remuneration (Audited Information)**

The remuneration received by the Chief Executive during the year was £84,760 (2020-21: £84,760). The Chief Executive is an ordinary member of the Northern Ireland Local Government Officers' Superannuation Committee (NILGOSC) pension scheme.

## Staff Composition

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

	<b>Male Directors</b>	<b>Male Employees</b>	<b>Female Directors</b>	<b>Female Employees</b>
<b>2021-22</b>				
Directly Employed	5	41	2	42
Board*	-	-	-	-
Agency/Secondments	-	14	-	11
<b>Total</b>	<b>5</b>	<b>55</b>	<b>2</b>	<b>53</b>

	<b>Male Directors</b>	<b>Male Employees</b>	<b>Female Directors</b>	<b>Female Employees</b>
<b>2020-21</b>				
Directly Employed	4	41	1	44
Board*	-	-	-	-
Agency/Secondments	-	18	-	11
<b>Total</b>	<b>4</b>	<b>59</b>	<b>1</b>	<b>55</b>

\*Board Members are employed by DfC. The Chair and Vice Chair are the only Members to receive honorarium from Sport NI.

## Staff Turnover

Sport NI had seventeen leavers during 2021-22 and fourteen new starts (2020-21: two leavers and three new starts).

## Sickness Absence Data

The number of sick days reported in 2021-22 was 1,251 (2020-21: 228). Sport NI had an average of 15.89 days absence per full time equivalent person in 2021-22 (2020-21: 2.87). In March 2022, the number of sick days were reduced to 83 days per month as opposed to 180 days in October 2021. Sport NI management are committed to managing sickness absence to support staff in line with organisation's policy.

## Staff Engagement Scores

In March 2022, Sport NI commissioned an independent body to conduct an online Employee Engagement Survey and Report. The report (issued in May 2022) and made recommendations on five areas, Leadership and managing change, Sport NI Board, Learning and Development, Communication and Connection and Organisation culture. Recommendations are being considered during 2022-23.

## Staff Policies Applied During the Financial Year

- **Employee Consultation**

On matters of policy and procedure which affect the employees of Sport NI, the organisation 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 2021-22, Sport NI initiated organisation restructure for all grades, there was extensive consultation throughout this period with trade unions and staff. Sport NI actively engaged with NIPSA in terms of returning to workplace during Covid-19 pandemic.

- **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. An equal opportunities policy has been in place since March 2004.

- **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.

- **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.

## Expenditure on Consultancy

The following costs were incurred during the year for consultancy (excluding managed service).

	<b>2021-22</b>	<b>2020-21</b>
	<b>£</b>	<b>£</b>
Actuary Report	2,106	1,110
<b>Total Expenditure on Consultancy</b>	<b>2,106</b>	<b>1,110</b>

### **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, 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 no such off-payroll engagements commencing or operating during 2021-22 (2020-21: NIL).

### **Reporting of Exit Packages (Audited Information)**

Sport NI offered voluntary exit packages as part of the organisational restructure. Three employees were granted exit packages at a cost of £206,783 in 2021-22 (2020-21: NIL).



**Antoinette McKeown**  
**Accounting Officer**

**Date: 24 October 2022**

## Assembly Accountability and Audit Report

The Assembly Parliamentary Accountability and Audit Report brings together the key Assembly accountability documents. It includes:

- Regularity of expenditure;
- Assembly Accountability Disclosure Notes; and
- The Certificate and Report of the Comptroller and Auditor General to the Northern Ireland Assembly.

### Assembly Accountability Disclosure Notes

#### Regularity of Expenditure (Audited Information)

There was one special payment (£4k) to an agency staff member for loss of personal equipment. There were no losses in the year ended 31 March 2022 (2020-21: Nil).

#### Fees and Charges (Audited information)

Tollymore National Outdoor Centre (TNOC) is the only operation within Sport NI that would have a significant level of income generation (see further details below). For all other areas a detailed analysis of fees and charges information is not provided as the income and full costs of each service are immaterial.

Skills and Leadership course provision at the Centre in TNOC are subsidised by funding received from DfC. TNOC activities where no market failure exists, full cost recovery is applied to prevent direct competition.

TNOC income is mainly generated through booking of courses; climbing wall use; accommodation; venue hire; and catering. During the year, TNOC generated £167,731 of income (2020-21: £51,321) against costs of £831,534 (2020-21: £971,331).

#### Remote Contingent Liabilities (Audited information)

Sport NI is also required to report liabilities for which the likelihood of a transfer of economic benefit in settlement is too remote to meet the definition of contingent liability. There were no remote contingent liabilities for the year ended 31 March 2022 (2020-21: Nil). Contingent liabilities are disclosed in Note 15 of the Financial Statements.



**Antoinette McKeown**  
Accounting Officer

**Date: 24 October 2022**

## **THE CERTIFICATE AND REPORT OF THE COMPTROLLER AND AUDITOR GENERAL TO THE NORTHERN IRELAND ASSEMBLY**

### **Opinion on financial statements**

I certify that I have audited the financial statements of the Sports Council for Northern Ireland Exchequer Account for the year ended 31<sup>st</sup> March 2022 under the Recreation and Youth Service (Northern Ireland) Order 1986. The financial statements comprise: the Statements of Comprehensive Net Expenditure, Financial Position, Cash Flows, Changes in Taxpayers' Equity; and the related notes, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting standards as adopted by the European Union and interpreted by the Government Financial Reporting Manual.

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 Sports Council for Northern Ireland Exchequer Account's affairs as at 31<sup>st</sup> March 2022 and of the Sports Council for Northern Ireland Exchequer Account's net expenditure for the year then ended; and
- have been properly prepared in accordance with the Recreation and Youth Service (Northern Ireland) Order 1986 and Department of Communities directions issued thereunder.

### **Opinion on regularity**

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

### **Basis for opinions**

I conducted my audit in accordance with International Standards on Auditing (ISAs) (UK), applicable law and Practice Note 10 'Audit of Financial Statements and Regularity of Public Sector Bodies 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 this certificate.

My staff and I are independent of Sports Council for Northern Ireland Exchequer Account in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK, including the Financial Reporting Council's Ethical Standard, and have fulfilled our other ethical responsibilities in accordance with these requirements.

I believe that the audit evidence obtained is sufficient and appropriate to provide a basis for my opinions.

### **Conclusions relating to going concern**

In auditing the financial statements, I have concluded that Sports Council for Northern Ireland Exchequer Account's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Sports Council for Northern Ireland Exchequer Account's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

The going concern basis of accounting for Sports Council for Northern Ireland Exchequer Account is adopted in consideration of the requirements set out in the Government Reporting Manual, which require entities to adopt the going concern basis of accounting in the preparation of the financial statements where it anticipated that the services which they provide will continue into the future.

My responsibilities and the responsibilities of the Accounting Officer with respect to going concern are described in the relevant sections of this report.

### **Other Information**

The other information comprises the information included in the annual report other than the financial statements, the parts of the Accountability Report described in that report as having been audited, and my audit certificate and report. The Board and the Accounting Officer are responsible for the other information included in the annual report. My opinion on the financial statements does not cover the other information and except to the extent otherwise explicitly stated in my report I do not express any form of assurance conclusion thereon.

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 I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. 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, based on the work undertaken in the course of the audit:

- the parts of the Accountability Report to be audited have been properly prepared in accordance with Department for Communities directions made under the Recreation and Youth Service (Northern Ireland) Order 1986; and
- the information given in the 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**

In the light of the knowledge and understanding of the Sports Council for Northern Ireland Exchequer Account and its environment obtained in the course of the audit, I have not identified material misstatements in the Performance Report and Accountability Report. I have nothing to report in respect of the following matters which I report to you if, in my opinion:

- adequate accounting records have not been kept; or
- the financial statements and the parts of the Accountability Report to be audited are not in agreement with the accounting records; or
- certain disclosures of remuneration specified by the Government Financial Reporting Manual are not made; 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 the Department of Finance's guidance.

### **Responsibilities of the Accounting Officer for the financial statements**

As explained more fully in the Statement of Accounting Officer Responsibilities, the Accounting Officer are responsible for:

- the preparation of the financial statements in accordance with the applicable financial reporting framework and for being satisfied that they give a true and fair view;
- such internal controls as the Accounting Officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error;
- assessing the Sports Council for Northern Ireland's ability to continue as a going concern, disclosing, as applicable, matters related to going concern



and using the going concern basis of accounting unless the Accounting Officer anticipates that the services provided by Sports Council for Northern Ireland will not continue to be provided in the future.

### **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 Recreation and Youth Service (Northern Ireland) Order 1986.

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue a certificate that includes my opinion. 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.

I design procedures in line with my responsibilities, outlined above, to detect material misstatements in respect of non-compliance with laws and regulation, including fraud.

My procedures included:

- obtaining an understanding of the legal and regulatory framework applicable to the Sports Council for Northern Ireland through discussion with management and application of extensive public sector accountability knowledge. The key laws and regulations I considered included Recreation and Youth Service (Northern Ireland) Order 1986;
- making enquires of management and those charged with governance on Sports Council of Northern Ireland's compliance with laws and regulations;
- making enquiries of internal audit, management and those charged with governance as to susceptibility to irregularity and fraud, their assessment of the risk of material misstatement due to fraud and irregularity, and their knowledge of actual, suspected and alleged fraud and irregularity;
- completing risk assessment procedures to assess the susceptibility of Sports Council of Northern Ireland's financial statements to material misstatement, including how fraud might occur. This included, but was not limited to, an engagement director led engagement team discussion on fraud to identify particular areas, transaction streams and business

practices that may be susceptible to material misstatement due to fraud. As part of this discussion, I identified potential for fraud in the following areas: revenue recognition, expenditure recognition, posting of unusual journals;

- engagement director oversight to ensure the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with the applicable legal and regulatory framework throughout the audit;
- documenting and evaluating the design and implementation of internal controls in place to mitigate risk of material misstatement due to fraud and non-compliance with laws and regulations;
- designing audit procedures to address specific laws and regulations which the engagement team considered to have a direct material effect on the financial statements in terms of misstatement and irregularity, including fraud. These audit procedures included, but were not limited to, reading board and committee minutes, and agreeing financial statement disclosures to underlying supporting documentation and approvals as appropriate; and
- addressing the risk of fraud as a result of management override of controls by:
  - performing analytical procedures to identify unusual or unexpected relationships or movements;
  - testing journal entries to identify potential anomalies, and inappropriate or unauthorised adjustments;
  - assessing whether judgements and other assumptions made in determining accounting estimates were indicative of potential bias; and
  - investigating significant or unusual transactions made outside of the normal course of business.

A further description of my responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of my certificate.

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

## **Report**

I have no observations to make on these financial statements.



*Dorinnia Carville*

*Comptroller and Auditor General*

*Northern Ireland Audit Office*

*106 University Street*

*BELFAST*

*BT7 1EU*

*27 October 2022*

## STATEMENT OF COMPREHENSIVE NET EXPENDITURE FOR YEAR ENDING 31 MARCH 2022

	Notes	2021-22 £	2020-21 £
Income from sale of goods and services	4A	2,239,574	1,875,967
Other operating income	4B	9,899	4,027
<b>Total Operating Income</b>		<b>2,249,473</b>	<b>1,879,994</b>
Staff costs	3A	(6,693,298)	(5,753,161)
Expenditure on Sports	3B	(8,569,874)	(29,795,620)
Other operating expenditure	3C	(1,363,179)	(1,150,541)
Depreciation and impairment charges	5/6	(536,306)	(512,700)
<b>Total Operating Expenditure</b>		<b>(17,162,657)</b>	<b>(37,212,022)</b>
<b>Net Expenditure For the Year</b>		<b>(14,913,184)</b>	<b>(35,332,028)</b>
<b>Other Comprehensive Net Expenditure</b>			
Items that will not be reclassified to net operating expenditure:			
Net gain/loss on revaluation of Property, Plant and Equipment	5	438,908	128,468
Net gain/loss on revaluation of Intangible Assets	6	196	747
Actuarial gain/(loss) on pension scheme	11.5	6,073,000	(5,145,000)
Items that may be reclassified to net operating expenditure:		-	-
<b>Comprehensive Net Expenditure for the Year</b>		<b>(8,401,080)</b>	<b>(40,347,813)</b>

The notes on pages 69 to 94 form part of these accounts.

## STATEMENT OF FINANCIAL POSITION

### AS AT 31 MARCH 2022

	Notes	2021-22 £	2020-21 £
<b>Non-current assets:</b>			
Property, plant and equipment	5	6,144,032	6,109,831
Intangible assets	6	76,273	32,451
<b>Total non-current assets</b>		<u>6,220,305</u>	<u>6,141,282</u>
<b>Current assets:</b>			
Trade and other receivables	7	936,463	296,485
Cash and cash equivalents	8	370,123	7,020,920
<b>Total current assets</b>		<u>1,306,586</u>	<u>7,317,405</u>
<b>Total assets</b>		<b>7,526,891</b>	<b>13,459,687</b>
<b>Current liabilities</b>			
Trade and other payables	9	(1,014,645)	(993,316)
Grants Payable	9	(5,119,968)	(7,179,905)
<b>Total current liabilities</b>		<u>(6,134,613)</u>	<u>(8,173,221)</u>
<b>Total assets less current liabilities</b>		<u><b>1,392,278</b></u>	<u><b>5,286,466</b></u>
<b>Non-current liabilities</b>			
Retirement benefit obligations	11	(11,693,000)	(16,326,000)
<b>Total non-current liabilities</b>		<u>(11,693,000)</u>	<u>(16,326,000)</u>
<b>Total assets less total liabilities</b>		<u><b>(10,300,722)</b></u>	<u><b>(11,039,534)</b></u>
General reserve		(1,225,942)	2,891,443
Revaluation reserve		2,618,220	2,395,023
Pension reserve		(11,693,000)	(16,326,000)
<b>Total equity</b>		<u><b>(10,300,722)</b></u>	<u><b>(11,039,534)</b></u>

The notes on pages 69 to 94 form part of these accounts.

The financial statements on pages 65 to 68 were approved by the Board on 19 October and were signed on its behalf by:



**Antoinette McKeown**  
(Chief Executive)

**Date: 24 October 2022**

## STATEMENT OF CASHFLOW

### FOR YEAR ENDING 31 MARCH 2022

	Notes	2021-22 £	2020-21 £
<b>Cash flows from operating activities</b>			
Net operating expenditure		<b>(14,913,184)</b>	<b>(35,332,028)</b>
Adjustments for non-cash transactions	3C	572,535	535,099
Decrease/(Increase) in trade and other receivables	7	(639,978)	456,199
Increase/(Decrease) in payables	9	(2,038,608)	5,451,467
Increase/(Decrease) in pension fund payable less actuarial losses		1,440,000	778,000
<b>Net cash outflow from operating activities</b>		<b>(15,579,235)</b>	<b>(28,111,263)</b>
<b>Cash flows from investing activities</b>			
Purchase of non-financial assets	5/6	(178,454)	(184,815)
Proceeds from disposal of non-financial assets		-	12,000
<b>Net cash outflow from investing activities</b>		<b>(178,454)</b>	<b>(172,815)</b>
<b>Cash flows from financing activities</b>			
Grants from sponsoring department	SCTE	9,106,892	34,878,279
<b>Net financing</b>		<b>9,106,892</b>	<b>34,878,279</b>
<b>Net decrease in cash and cash equivalents in the period</b>		<b>(6,650,797)</b>	<b>6,594,201</b>
<b>Cash and cash equivalents at the beginning of the period</b>		<b>7,020,920</b>	<b>426,719</b>
<b>Cash and cash equivalents at the end of the period</b>		<b>370,123</b>	<b>7,020,920</b>

The notes on pages 69 to 94 form part of these accounts.

## STATEMENT OF CHANGES IN TAXPAYERS' EQUITY AS AT 31 MARCH 2022

	General Fund £	Pension Reserve £	Revaluation Reserve £	Taxpayers' Equity £
<b>Balance at 31 March 2020</b>	<b>2,355,719</b>	<b>(10,403,000)</b>	<b>2,446,281</b>	<b>(5,601,000)</b>
Grants from Sponsoring Department	34,878,279	-	-	34,878,279
Comprehensive Net Expenditure for the Year	(34,554,028)	(778,000)	-	(35,332,028)
Actuarial Gain and Losses	-	(5,145,000)	-	(5,145,000)
Net Loss on Revaluation of Non-Current Assets	-	-	129,215	129,215
Auditors Remuneration	31,000	-	-	31,000
Other reserves movements including transfers	180,473	-	(180,473)	-
<b>Balance at 31 March 2021</b>	<b>2,891,443</b>	<b>(16,326,000)</b>	<b>2,395,023</b>	<b>(11,039,534)</b>
Grants from Sponsoring Department	9,106,892	-	-	9,106,892
Comprehensive Net Expenditure for the Year	(13,473,184)	(1,440,000)	-	(14,913,184)
Actuarial Gain and Losses	-	6,073,000	-	6,073,000
Net Loss on Revaluation of Non-Current Assets	-	-	439,104	439,104
Auditors Remuneration	33,000	-	-	33,000
Other reserves movements including transfers	215,907	-	(215,907)	-
<b>Balance at 31 March 2022</b>	<b>(1,225,942)</b>	<b>(11,693,000)</b>	<b>2,618,220</b>	<b>(10,300,722)</b>

The notes on pages 69 to 94 form part of these accounts.

## NOTES TO THE ACCOUNTS

### 1. Statement of Accounting Policies

The financial statements have been prepared in accordance with the 2021-22 Government Financial Reporting Manual (FReM) issued by Department of Finance. The accounting policies contained in the FReM apply International Financial Reporting Standards (IFRS) as adapted or interpreted for the public sector context. Where FReM permits a choice of accounting policy, the accounting policy which is judged to be most appropriate to the particular circumstances of Sport NI, for the purpose of giving a true and fair view has been selected. The particular policies adopted by Sport NI are described below. They have been applied consistently in dealing with items considered material to the accounts.

#### 1.1 Accounting Convention

These financial statements have been prepared in accordance with 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 and equipment and intangible assets

Sport NI applied a capitalisation limit of £1,000 to individual items. Items below the £1,000 threshold were charged directly to the Statement of Comprehensive Net Expenditure.

#### 1.3 Depreciation

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, and not in the month in which it is disposed.

Assets are depreciated over their useful lives as follows:

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

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.



## 1.4 Intangible assets

Expenditure on intangible assets is recognised when Sport NI controls the asset; is probable that future economic benefits attributable to the asset will flow to Sport NI; and the cost of the asset can be reliably measured. Purchased software and licenses lasting for more than one year are capitalised as intangible assets where expenditure of £1,000 or more is incurred.

Intangible assets are revalued annually using appropriate indices compiled by the Office for National Statistics. Any surplus/loss on revaluation is treated as follows:

- Unrealised surplus arising from revaluation of intangible assets is credited to the Revaluation Reserve unless it reverses a decrease of the same asset previously recognised in the Statement of Comprehensive Net Expenditure, to that extent.
- Losses arising from the revaluation of intangible assets are debited to the Revaluation Reserve to the extent that gains were recorded previously, and otherwise to the Statement of Comprehensive Net Expenditure.

Amortisation is calculated on a straight line basis over the shorter of the term of the licence and the useful economic life. Intangible assets are reviewed annually for impairment.

## 1.5 Revaluation of non-current assets

Non-current assets included in the Statement of Financial Position are reviewed annually 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.

Tollymore National Outdoor Centre is formally valued by Land and Property Services every 5 years, supplemented by annual desktop valuations. The last full valuation was undertaken at 31 March 2020.

## 1.6 Operating Income

### Government Grants

Grant-in-Aid received used to finance activities and expenditure which support the statutory and other objectives of the entity are treated as financing, and credited to the General Reserve, because they are regarded as contributions from a controlling party which gives rise to a financial interest in the residual interest of NDPBs.

### Lottery Recharges

Administrative overheads and salaries are apportioned to the Lottery Distribution fund and comprise administrative costs and salaries incurred by Sport NI from which the Lottery benefited indirectly. The apportionment is made at full economic cost and calculated on appropriate bases. Recharges of expenses and salaries are shown in other income.

### **Other Operating Income**

All other operating income received is credited to income in the year in which it is receivable. Fees and charges for services provided by Sport NI are determined in accordance with HM Treasury's "Fees and Charges Guide".

### **1.7 Leases**

#### Finance Leases:

Leases where substantially all of the risks and rewards are held by the lessee are classified as financing leases. Sport NI does not hold any finance leases.

#### Operating Leases:

Leases where substantially all of the risks and rewards are held by the lessor are classified as operating leases. Rentals paid under operating leases are charged to the Statement of Comprehensive Net Expenditure on a straight line basis over the period of the lease. Operating lease payments in year, along with all future commitments, are disclosed in Note 12.

### **1.8 Financial Instruments**

Sport NI is not exposed to the same degree of financial risk faced by business entities. This is due to the organisation being essentially a non-trading entity and financed as a Non-Departmental Public Body. It has no powers to borrow or invest in surplus funds and has limited year-end flexibility. It is therefore exposed to little liquidity, currency or market risks. Sport NI does not hold any complex financial instruments and there is no impact on the financial risk of the organisation.

#### **1.8.1 Financial Assets**

##### **Trade and other receivables**

Trade and other receivables mainly arise from regular users of services at the House of Sport and Tollymore National Outdoor Centre. Bad debt provision is assessed annually. Receivables do not carry any interest and are recognised at their recoverable amount, which equates to their fair value.

##### **Cash and Cash Equivalents**

Cash and cash equivalents comprise cash in hand and current balances with banks which are readily convertible to known amounts of cash and which are subject to insignificant risk of changes in value and have an original maturity of three months or less.

## **1.8.2 Financial Liabilities**

### **Trade and other payables**

Trade payables represent liabilities for goods and services provided to Sport NI prior to the end of the reporting period, which are unpaid. Purchase orders are not included as trade payables. Payables are not interest-bearing and are recognised at their nominal value, which equates to their fair value.

### **Grant Payables**

Grant payables relate to any amounts of unpaid grant at 31 March where the underlying activity took place no later than 31 March and have been included in the Statement of Comprehensive Net Expenditure.

## **1.9 Payment of Grants**

Sport NI pays grants in accordance with the terms and conditions inherent in the respective funding agreement. Grants awarded to organisations and individuals are charged to the Statement of Comprehensive Net Expenditure in the year in which the underlying activity giving entitlement to the grant occurs. Any amounts of unpaid grant at 31 March each year are included as liabilities in the Statement of Financial Position.

## **1.10 Provisions**

Sport NI provides for legal or constructive obligations which are of uncertain timing or amount at the reporting period date on the basis of the best estimate of the expenditure required to settle the obligation.

## **1.11 Contingent liabilities**

In addition to contingent liabilities disclosed in accordance with IAS 37, Sport NI discloses for Assembly reporting and accountability purposes certain statutory and non-statutory contingent liabilities where the likelihood of a transfer of economic benefit is remote, but which have been reported to the Assembly in accordance with the requirements of Managing Public Money Northern Ireland.

Where the time value of money is material, contingent liabilities which are required to be disclosed under IAS 37 are stated at discounted amounts and the amount reported to the Assembly separately noted. Contingent liabilities that are not required to be disclosed by IAS 37 are stated at the amounts reported to the Assembly.

## **1.12 Critical accounting estimates 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 Sport NI's accounting policies. Sport NI continually evaluate the estimates, assumptions and judgements based on available information and experience. As the use of estimates is inherent in financial reporting, actual results could differ from these estimates. The estimates and assumptions which have the most significant risk of causing a material adjustment to the carrying amounts of assets and liabilities are discussed below:

- **Depreciation of property, plant and equipment**  
Depreciation is provided in the accounts so as to write down the respective assets to their residual values over their expected residual lives and as such the selection of the estimated useful lives and the expected residual values of the assets require the use of estimates and judgements. Details of the estimated useful lives are shown above in Note 1.3.
- **Impairment of property, plant and equipment**  
Where there is an indication that the carrying values of items of property, plant and equipment may have been impaired through events or changes in circumstances, a review will be undertaken of the recoverable amount of that asset.

## **1.13 Value Added Tax**

Sport NI is registered for Value Added Tax (VAT) but cannot reclaim VAT on purchases. All purchase transactions are therefore stated inclusive of VAT.

## **1.14 Employee Benefits**

Under IAS 19 an employing entity should recognise the undiscounted amount of short term employee benefits expected to be paid in exchange for the Service. Sport NI has recognised flexi balances and annual leave entitlements that have been earned by year end but not yet taken. These are included in current liabilities.

## **1.15 Pension Costs**

Past and present employees are covered by the provisions of the Northern Ireland Local Government Officers' Superannuation Committee (NILGOSC) Scheme.

In accordance with IAS 19 the Scheme Managers / trustees are required to undertake a sensitivity analysis for each significant actuarial assumption as at the end of the reporting period, showing how the defined benefit obligation would have been affected by changes in the relevant actuarial assumption that were reasonably possible at that date. This analysis, including details of the methods and assumptions used in preparing the sensitivity analysis, the limitation of these methods, and the reasons for any changes in methods and assumptions used in preparing the sensitivity analysis, are set out in Note 11 to the Accounts.

The pension costs are assessed in accordance with the advice of independent qualified actuaries using the market-led approach. The latest actuarial valuation of the scheme was at 31 March 2019.

Pension scheme assets are measured using market value. Pension scheme liabilities are measured using the projected unit method and discounted at the current rate of return on a high quality corporate bond of equivalent term to the liability.

The increase in the present value of the liabilities of Sport NI's defined benefit pension scheme arising from employee service in the period is charged to the Statement of Comprehensive Net Expenditure so as to recognise the cost of pensions over the employees' working lives.

Actuarial gains and losses are recognised in Other Comprehensive Net Expenditure.

## **1.16 Reserves**

### General Reserve

This is the balance arising from recurrent grants provided by the sponsor department (DfC) through grant-in-aid and the net expenditure as reported in the Statement of Comprehensive Net Expenditure for the year.

### Revaluation Reserve

The revaluation reserve reflects the unrealised element of the cumulative balance of indexation and revaluation adjustments to assets.

### Pension Reserve

This is the balance required by Sport NI to meet the current deficit in its share of the NILGOSC pension scheme.

## **1.17 Accounting standards, interpretations and amendments to published standards adopted in the year ended 31 March 2022**

Additional or revised accounting standards and new (or amendments to) interpretations contained within FReM 2021-22 have been considered. The adoption of these standards has not had a significant impact on Sport NI's financial position or results.

## **1.18 Accounting standards, interpretations and amendments to published standards not yet effective**

Sport NI has reviewed new accounting standards that have been issued but are not yet effective, nor adopted early for these accounts, including IFRS 16 which does not come into effect in public sector until 1 April 2022. Sport NI considers that these are unlikely to have a significant impact on the accounts in the period of initial application.

## 2. Operating Costs by Operating Segment

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

## 3. Operating Expenditure

### 3A Staff Costs

	Directly Employed £	Other £	2021-22 Total £	2020-21 Total £
Wages and Salaries	3,495,982	-	3,495,982	3,181,569
Social Security Costs	307,716	-	307,716	293,389
Pension Costs	2,083,681	-	2,083,681	1,411,227
Agency Costs	-	805,919	805,919	866,976
	<b>5,887,379</b>	<b>805,919</b>	<b>6,693,298</b>	<b>5,753,161</b>

### 3B Expenditure on Sports

	Grants £	Other Programme £	2021-22 Total £	2020-21 Total £
Sporting Clubs	43,542	220,351	263,893	210,945
Sporting Communities	1,349,728	168,761	1,518,489	1,483,122
Sporting Winners	-	473,703	473,703	407,475
COVID Support	4,261,901	12,433	4,274,334	26,125,143
Capital Programme	2,030,239	9,216	2,039,455	1,568,935
	<b>7,685,410</b>	<b>884,464</b>	<b>8,569,874</b>	<b>29,795,620</b>

### 3C Other Operating Expenditure

Sport NI Exchequer Account 2021-22

	<b>2021-22</b>	<b>2020-21</b>
	<b>Total</b>	<b>Total</b>
	<b>£</b>	<b>£</b>
Computer Software and Support	604,688	356,169
Managed Services	195,660	193,032
Rent and Rates	156,959	155,583
Caretaking and Cleaning	49,150	48,027
Recruitment, Training and Restructure	42,659	43,600
Legal Fees	40,112	26,139
Telephones and postage	36,071	29,312
Heat and Light	28,688	25,535
Research	27,544	20,440
Insurance	23,852	27,066
Courses, Meetings and Seminars	18,584	10,187
Sundry Expenses	17,355	22,161
Publicity and Publications	16,438	120,654
Repairs & Maintenance	14,354	7,218
Memberships and Subscriptions	13,939	8,074
Printing & Stationery	12,557	10,609
Travel and Subsistence	10,902	4,483
Internal Audit	9,648	18,089
Losses / Bad Debt Write Off	3,962	59
Consultancy	2,106	1,623
Hospitality & Networking	1,722	-
Fees and Bank Charges	-	82
<b>Non-Cash Items:</b>		
Auditors remuneration	33,000	31,000
Loss/(Profit) on disposal	1,718	(11,622)
Permanent Diminution	1,511	3,021
Other Operating Expenditure	<u>1,363,179</u>	<u>1,150,541</u>

**4. Income**

	<b>2021-22</b>	<b>2020-21</b>
	<b>Total</b>	<b>Total</b>
	<b>£</b>	<b>£</b>
4A Income from goods and services		
Lottery recharges	1,936,062	1,616,939
TNOC income from services	167,731	51,295
Staff Seconded to other parties	69,669	151,440
Other service charges	66,112	56,293
	<u>2,239,574</u>	<u>1,875,967</u>
4B Other Operating Income		
EU funding	9,899	4,027
	<u>9,899</u>	<u>4,027</u>
Total Income	<u><u>2,249,473</u></u>	<u><u>1,879,994</u></u>

## 5. Property, Plant and Equipment

2021-22	Buildings & Leasehold	Specialist Sports Equipment	Furniture and Fittings	Motor Vehicles	Information Technology	Total
	£	£	£	£	£	£
<b>Cost or Valuation</b>						
At 1 April 2021	5,716,985	1,063,369	253,643	119,168	534,871	7,688,036
Additions	-	69,526	4,873	-	45,855	120,254
Disposals	-	(35,861)	(1,793)	-	(47,517)	(85,171)
Revaluation	(25,280)	-	-	-	-	(25,280)
Indexation	26,647	4,981	11,296	308	648	43,880
At 31 March 2022	<b>5,718,352</b>	<b>1,102,015</b>	<b>268,019</b>	<b>119,476</b>	<b>533,857</b>	<b>7,741,719</b>
<b>Depreciation</b>						
At 1 April 2021	85,876	727,743	161,303	81,788	521,495	1,578,205
Charged in year	441,597	45,195	21,287	6,141	7,514	521,734
Disposals	-	(53,668)	(1,793)	-	(28,201)	(83,662)
Revaluation	(425,959)	-	-	-	-	(425,959)
Indexation	280	888	6,301	30	(130)	7,369
At 31 March 2022	<b>101,794</b>	<b>720,158</b>	<b>187,098</b>	<b>87,959</b>	<b>500,678</b>	<b>1,597,687</b>
Carrying amount at 31 March 2021	5,631,109	335,626	92,340	37,380	13,376	6,109,831
<b>Carrying amount at 31 March 2022</b>	<b>5,616,558</b>	<b>381,857</b>	<b>80,921</b>	<b>31,517</b>	<b>33,179</b>	<b>6,144,032</b>
<b>Asset Financing:</b>						
Owned	-	381,857	80,921	31,517	33,179	527,474
Short Leasehold	5,616,558	-	-	-	-	5,616,558
<b>Carrying amount at 31 March 2022</b>	<b>5,616,558</b>	<b>381,857</b>	<b>80,921</b>	<b>31,517</b>	<b>33,179</b>	<b>6,144,032</b>



## 5A Property, Plant and Equipment continued

2020-21	Buildings & Leasehold	Specialist Sports Equipment	Furniture and Fittings	Motor Vehicles	Information Technology	Total
	£	£	£	£	£	£
<b>Cost or Valuation</b>						
At 1 April 2020	6,003,381	970,842	246,491	115,806	534,821	7,871,340
Additions	-	157,647	23,875	3,293	-	184,815
Disposals	-	(57,216)	(18,903)	-	(1)	(76,120)
Revaluation	(286,695)	-	-	-	-	(286,695)
Reclassifications and transfers	-	-	-	-	-	-
Indexation	299	(7,904)	2,180	69	51	(5,305)
At 31 March 2021	5,716,985	1,063,369	253,643	119,168	534,871	7,688,035
<b>Depreciation</b>	-	-	-	-	-	-
At 1 April 2020	71,260	748,929	157,195	75,165	516,805	1,569,353
Charged in year	430,415	38,323	22,015	6,599	4,688	502,040
Disposals	-	(57,065)	(18,679)	-	2	(75,742)
Revaluation	(415,831)	-	-	-	-	(415,831)
Reclassifications and transfers	-	-	-	-	-	-
Indexation	32	(2,444)	772	24	-	(1,616)
At 31 March 2021	85,876	727,743	161,303	81,788	521,495	1,578,204
Carrying amount at 31 March 2020	5,932,121	221,913	89,296	40,641	18,016	6,301,987
<b>Carrying amount at 31 March 2021</b>	<b>5,631,109</b>	<b>335,626</b>	<b>92,340</b>	<b>37,380</b>	<b>13,376</b>	<b>6,109,831</b>
<b>Asset Financing:</b>						
Owned	-	335,626	92,340	37,380	13,376	478,722
Short Leasehold	5,631,109	-	-	-	-	5,631,109
<b>Carrying amount at 31 March 2021</b>	<b>5,631,109</b>	<b>335,626</b>	<b>92,340</b>	<b>37,380</b>	<b>13,376</b>	<b>6,109,831</b>

Tollymore National Outdoor Centre (TNOC) buildings was valued at £5,405,695 (31 March 2021: £5,430,975) by Land and Property Service (LPS), an independent MRICS qualified valuer, at 31 March 2022. Sport NI requested LPS Services to value the building on the assumption that the life of the building and its useful life to Sport NI should be restricted to the term of the operating lease of the land on which the building resides.

The outbreak of the Corona virus (COVID-19), declared by the World Health Organisation as a “Global Pandemic” on 11 March 2020, has impacted global financial markets resulting in unprecedented set of circumstances on which to base a valuation judgement. Therefore, the valuation of TNOC is reported on the basis of ‘material valuation uncertainty’ as per VPS 3 and VPGA 10 of the RICS Global Standards. The building is revalued annually.

All other buildings, property, plant and equipment were valued at 31 March 2022 through application of indices (where possible) as published by the Office for National Statistics.

The leases entered into in respect of the land at TNOC and Altnadue Quarry have been expensed to the Net Expenditure Account (see Note 12).

## 6. Intangible Assets

	2021-22	2020-21
	£	£
<b>Cost or Valuation</b>		
At 1 April	95,617	94,664
Additions	58,200	-
Disposals	(4,993)	-
Indexation	844	954
<b>At 31 March</b>	<b><u>149,668</u></b>	<b><u>95,618</u></b>
<b>Depreciation</b>		
At 1 April	63,168	52,300
Charged in year	14,572	10,660
Disposals	(4,993)	-
Indexation	648	207
<b>At 31 March</b>	<b><u>73,395</u></b>	<b><u>63,167</u></b>
Carrying amount at 1 April	<u>32,449</u>	<u>42,364</u>
<b>Carrying amount at 31 March</b>	<b><u>76,273</u></b>	<b><u>32,451</u></b>
Asset Financing:		
Owned	<u>76,273</u>	<u>32,451</u>
<b>Carrying amount at 31 March</b>	<b><u>76,273</u></b>	<b><u>32,451</u></b>

Intangible assets comprise of purchased software and licenses.

**7. Receivables**

	<b>2021-22</b>	<b>2020-21</b>
	£	£
Amounts falling due within one year:		
Trade Receivables	48,494	25,057
Owed by Sport NI Lottery Account	787,393	182,680
Prepayments and Accrued Income	100,344	84,549
Other Debtors	232	4,199
	<u><b>936,463</b></u>	<u><b>296,485</b></u>

**8. Cash & Cash Equivalents**

The following balances were held at Commercial Banks and Cash in Hand

	<b>2021-22</b>	<b>2020-21</b>
	£	£
Balance at 1 April	7,020,920	426,719
Net Change in Cash and Cash Equivalent Balances	(6,650,797)	6,594,201
<b>Balance at 31 March</b>	<u><b>370,123</b></u>	<u><b>7,020,920</b></u>

In line with the Management Statement and Financial Memorandum (MSFM), cash balances accumulated during the course of the year were kept at the minimum level consistent with the efficient operation of Sport NI.

In line with the MSFM, DfC makes available in the current financial year (subject to approval by the Assembly of the relevant estimates provision) any such grant-in-aid required to meet any liabilities at year end, such as accruals.

Sport NI has no borrowings and no financing activities, relying primarily on Exchequer funding for its cash requirements.

**9. Payables**

	<b>2021-22</b>	<b>2020-21</b>
	£	£
Amounts falling due within one year:		
Trade Payables	362,147	375,482
VAT Payable	7,865	14,249
PAYE Payable	107,707	77,829
Accruals and Deferred Income	536,926	525,756
<b>Total Trade and Other Payables</b>	<u><b>1,014,645</b></u>	<u><b>993,316</b></u>
Grants Payable	5,119,968	7,179,905
<b>Total Payables</b>	<u><b>6,134,613</b></u>	<u><b>8,173,221</b></u>

**10. Provisions**

Sport NI had no provisions as at 31 March 20221 (31 March 2021: Nil).

## 11. Retirement Benefit Obligation

	<b>2021-22</b>	<b>2020-21</b>
	<b>£</b>	<b>£</b>
Pension Deficit	<u>11,693,000</u>	<u>16,326,000</u>

### Introduction

The disclosures below relate to the funded liabilities within the Northern Ireland Local Government Officers' Superannuation Pension Fund (the "Fund") which is part of the Local Government Pension Scheme (Northern Ireland) (the "LGPS").

The LGPS is a funded defined benefit plan with benefits earned up to 31 March 2015 being linked to final salary. Benefits after 31 March 2015 are based on a Career Average Revalued Earnings scheme. Details of the benefits earned over the period covered by this disclosure are set out in 'The Local Government Pension Scheme Regulations (Northern Ireland) 2014' (as amended) and 'The Local Government Pension Scheme (Amendment and Transitional Provisions) Regulations (Northern Ireland) 2014' (as amended).

### Funding/Governance Arrangements

The funded nature of the LGPS requires Sport NI and its employees to pay contributions into the Fund, calculated at a level intended to balance the pension liabilities with investment assets. For 2021-22 the contribution rates were 19.5% employers' and ranging between 5.5% and 10.5% employees' (2020-21: 19.5% employers' and ranging between 5.5% and 10.5% employees'). A further employers' one off deficit recovery contribution was paid directly to NILGOSC at the beginning of 2020-21, this was in line with the Funding Strategy Statement. Information on the framework for calculating contributions to be paid is set out in 'The Local Government Pension Scheme Regulations (Northern Ireland) 2014' and the Fund's Funding Strategy Statement. No such contribution was paid in 2021-22.

The last actuarial valuation was at 31 March 2019 and the contributions to be paid until 31 March 2023 resulting from that valuation are set out in the Fund's Rates and Adjustment Certificate.

The Northern Ireland Local Government Officers' Superannuation Committee is responsible for the governance of the Fund.

### Assets

The assets allocated to the Employer in the Fund are notional and are assumed to be invested in line with the investments of the Fund for the purposes of calculating the return over the accounting period. The Fund holds a significant proportion of its assets in liquid investments. As a consequence there will be no significant restriction on realising assets if a large payment is required to be paid from the Fund in relation to an employer's liabilities. The assets are invested in a diversified spread of investments and the approximate split of assets for the Fund as a whole (based on data supplied by the Committee) is shown in the disclosures.

The Committee may invest a small proportion of the Fund's investments in the assets of some of the employers participating in the Fund if it forms part of their balanced investment strategy.

### **Risks**

*Asset Volatility* – The liabilities used for accounting purposes are calculated using a discount rate set with reference to corporate bond yields at the accounting date. If assets underperform this yield this will create a deficit in the accounts. The Fund holds a significant proportion of growth assets which, while expected to outperform corporate bonds in the long term, creates volatility and risk in the short term in relation to the accounting figures.

*Changes in Bond Yield* – A decrease in corporate bond yields will increase the value placed on the liabilities for accounting purposes although this will be marginally offset by the increase in the assets as a result (to the extent the Fund invests in corporate bonds).

*Inflation Risk* – The majority of the pension liabilities are linked to either pay or price inflation. Higher inflation expectations will lead to a higher liability value. The assets are not perfectly correlated with inflation meaning that an increase in inflation will increase the deficit.

*Life Expectancy* – The majority of the Fund's obligations are to provide benefits for the life of the member following retirement, so increases in life expectancy will result in an increase in the liabilities.

*Exiting Employers* – Employers which leave the Fund (or their guarantor) may have to make an exit payment to meet any shortfall in assets against their pension liabilities. If the Employer (or guarantor) is not able to meet this exit payment the liability may in certain circumstances fall on other employers in the Fund. Further the assets at exit in respect of 'orphan liabilities' may, in retrospect, not be sufficient to meet the liabilities. This risk may fall on other employers. 'Orphan liabilities' are currently a small proportion of the overall liabilities in the Fund.

The principal assumptions used by the actuary in updating the latest valuation of the Fund for IAS19 purposes were:

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

	2021-22	2020-21
	Years	Years
Duration of liabilities (years)*	24.3	24.3
	%PA	%PA
Discount rate	2.7	2.1
CPI Price Inflation (Pension Increase)**	2.9	2.7
Salary increases ***	4.4	4.2

\* The duration of the Fund's liabilities is the average period between the calculation date and the date at which benefit payments fall due. Durations will be calculated based on the output of the most recent valuation exercise of the Employer's funded liabilities.

\*\* Pension increases on pension in excess of Guaranteed Minimum Pension in payment where appropriate. Revaluation rate of pension accounts is set equal to the assumption for pension increases.

\*\*\* This has been set as 1.5% above the CPI inflation assumption which is consistent with the assumption used at the 2019 Valuation. A promotional salary scale is assumed to apply in addition to this.

### 11.2 Mortality Assumptions

The mortality assumptions are based on actual mortality experience of members within the Fund based on analysis carried out as part of the 2019 Actuarial Valuation, and allow for expected future mortality improvements. Sample life expectancies at age 65 resulting from these mortality assumptions are shown below. At this accounting date the assumed rates of future mortality have been increased to reflect a slightly more negative outlook as a result of the COVID-19 Pandemic.

	31-Mar-2	31-Mar-21
<b>Males</b>		
Pensioner Member aged 65 at accounting date	21.8	21.9
Active Member aged 45 at accounting date	23.2	23.3
<b>Females</b>		
Pensioner Member aged 65 at accounting date	25.0	25.1
Active Member aged 45 at accounting date	26.4	26.5

**Post retirement mortality (retirement in normal health)**

<b>Males</b>	<b>31-Mar-22</b>	<b>31-Mar-21</b>
Year of Birth base table	Standard SAPS S2P tables	Standard SAPS S2P tables
Rating to above base table (years)*	0	0
Scaling to above base table rates (current pensioners)	108%	105%
Scaling to above base table rates (current non-pensioners)	113%	110%
Improvements to base table rates	CMI 2018 projections (Sk 7.5, A 0.0) with long term rate of improvement of 1.5% p.a.	CMI 2018 projections (Sk 7.5, A 0.0) with long term rate of improvement of 1.5% p.a.
Future lifetime from age 65 (aged 65 at accounting date)	21.8	21.9
Future lifetime from age 65 (aged 45 at accounting date)	23.2	23.3

<b>Females</b>	<b>31-Mar-22</b>	<b>31-Mar-21</b>
Year of Birth base table	Standard SAPS S2P tables	Standard SAPS S2P tables
Rating to above base table (years)*	0	0
Scaling to above base table rates (current pensioners)	93%	90%
Scaling to above base table rates (current non-pensioners)	98%	95%
Improvements to base table rates	CMI 2018 projections (Sk 7.5, A 0.0) with long term rate of improvement of 1.5% p.a.	CMI 2018 projections (Sk 7.5, A 0.0) with long term rate of improvement of 1.5% p.a.
Future lifetime from age 65 (aged 65 at accounting date)	25.0	25.1
Future lifetime from age 65 (aged 45 at accounting date)	26.4	26.5

Commutation	Each member was assumed to surrender pension on retirement, such that the total cash received (including any accrued lump sum from pre-2009 service) is 75% of the permitted maximum	Each member was assumed to surrender pension on retirement, such that the total cash received (including any accrued lump sum from pre-2008 service) is 75% of the permitted maximum
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**\* A rating of x years means that members of the Fund are assumed to follow the mortality pattern of the base table for an individual x years older than them. The ratings shown apply to normal health retirements. Different rates may apply to retirement in ill health.**

### 11.3 Asset Allocation

The approximate split of assets for the Fund as a whole is shown in the table below.

	Asset split			Asset split
	at 31 March 2022 (%)			at 31 March 2021 (%)
	Quoted	Unquoted	Total	Total
Equities	40.5	0.1	40.6	46.3
Property	0.0	10.9	10.9	8.9
Government	24.1	0.0	24.1	23.6
Corporate Bonds	1.8	0.0	1.8	12.1
Multi Asset Credit	12.9	0.0	12.9	0.0
Cash	6.2	0.0	6.2	5.3
Other	0.1	3.4	3.5	3.8
<b>Total</b>	<b>85.6</b>	<b>14.4</b>	<b>100</b>	<b>100</b>

### 11.4 Reconciliation of Funded status to Statement of Financial Position (SoFP)

Reconciliation of Funded status to Statement of Financial Position	31-Mar-22	31-Mar-21
	£000s	£000s
Fair value of assets	32,914	31,470
Present value of funded defined benefit obligation	44,607	47,796
Funded status	(11,693)	(16,326)
Unrecognised asset	-	-
<b>Asset/(Liability) recognised on the SoFP</b>	<b>(11,693)</b>	<b>(16,326)</b>

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

Active Members	46%
Deferred Pensioners	29%
Pensioners	25%



### 11.5 Breakdown of Amounts Recognised in Statement of Comprehensive Net Expenditure (SoCNE) and Other Comprehensive Expenditure (OCE)

Amount Charged to Net Expenditure Account	31-Mar-22	31-Mar-21
	£000s	£000s
<b>Operating Cost</b>		
Current Service Cost *	1,722	1,162
Past Service Cost (including curtailments)	-	-
Settlement Cost	-	-
<b>Financing Cost</b>		
Interest on net defined benefit liability	336	233
<b>Total Pension Expense Recognised in the SoCNE</b>	<b>2,058</b>	<b>1,395</b>
<b>Re-measurements in Other Comprehensive Expenditure</b>		
Return on plan assets (in excess of)/Below that recognised in net interest	(608)	(5,578)
Actuarial losses due to change in financial assumptions	(5,140)	11,057
Actuarial (gains) due to change in demographic assumptions	(451)	-
Actuarial (gains)/losses due to liability experience	126	(334)
<b>Total Amount Recognised in Other Comprehensive Expenditure</b>	<b>(6,073)</b>	<b>5,145</b>
Total Amount Recognised	(4,015)	6,540

\* *The current service cost includes an allowance for the administration expenses of £0.16m (31 March 2021: £0.016m).*

### 11.6 Changes to Present Value of Defined Benefit Obligation During the Accounting Period

	31-Mar-22	31-Mar-21
	£000s	£000s
<b>Opening defined benefit obligation</b>	47,796	35,543
Current service cost	1,722	1,162
Interest expense on defined benefit obligation	999	813
Contributions by participants	225	222
Actuarial losses due to changes in financial assumptions	(5,140)	11,057
Actuarial (gains) due to changes in demographic assumptions	(451)	-
Actuarial (gains)/losses due to liability experience	126	(334)
Net benefits paid out	(670)	(667)
Past service costs (including curtailments)	-	-
Net increase in liabilities from disposals/acquisitions	-	-
Settlements	-	-
Closing defined benefit obligation	44,607	47,796

**11.7 Changes to the Fair Value of Assets During the Accounting Period**

	<b>31-Mar-22</b>	<b>31-Mar-21</b>
	<b>£000s</b>	<b>£000s</b>
<b>Opening fair value of assets</b>	<b>31,470</b>	<b>25,140</b>
Interest income on assets	663	580
Re-measurement gains/(losses) on assets	608	5,578
Contributions by the employer	618	617
Contributions by participants	225	222
Net benefits paid out	(670)	(667)
Net increase in liabilities from disposals/acquisitions	-	-
Settlements	-	-
<b>Closing fair value of assets</b>	<b>32,914</b>	<b>31,470</b>

**11.8 Actual Return on Assets**

	<b>31-Mar-22</b>	<b>31-Mar-21</b>
	<b>£000s</b>	<b>£000s</b>
Interest income on assets	663	580
Re-measurement gain/(loss) on assets	608	5,578
<b>Actual return on assets</b>	<b>1,271</b>	<b>6,158</b>

**11.9 Sensitivity Analysis**

The results shown above are sensitive to the assumptions used. The approximate impact of changing the key assumptions on the present value of the funded defined benefit obligation as at 31 March 2022 and the projected services cost for the year ending 31 March 2023 are set out below. In each case, only the assumption mentioned is altered, all other assumptions remain the same and are summarised in the notes above. Sensitivity of unfunded benefits (where applicable) are not included on materiality grounds.

<b>Discount rate assumption</b>			
<b>Adjustment to discount rate</b>	+0.1 p.a.	Base Figure	-0.1 p.a.
Present value of total obligation (£M)	43.536	44.607	45.722
% change in present value of total obligation	-2.4%		2.5%
Projected service cost (£M)	1.463	1.522	1.583
Approximate % change in projected service cost	-3.9%		4.0%
<b>Rates of general increase in salaries</b>			
Adjustment to salary increase rate	+0.1 p.a.	Base Figure	-0.1 p.a.
Present value of total obligation (£M)	44.830	44.607	44.384
% change in present value of total obligation	0.5%		-0.5%
Projected service cost (£M)	1.522	1.522	1.522
Approximate % change in projected service cost	0%		0%
<b>Rate of increase to pensions in payment and deferred pensions assumption, and rate of revaluation of pension accounts assumption</b>			
Adjustment to pension increase rate	+0.1 p.a.	Base Figure	-0.1 p.a.
Present value of total obligation (£M)	45.499	44.607	43.759
% change in present value of total obligation	2.0%		-1.9%
Projected service cost (£M)	1.583	1.522	1.463
Approximate % change in projected service cost	4.0%		-3.9%
<b>Post retirement mortality assumption</b>			
Adjustment to mortality assumption *	+0.1 p.a.	Base Figure	-0.1 p.a.
Present value of total obligation (£M)	46.168	44.607	43.090
% change in present value of total obligation	3.5%		-3.4%
Projected service cost (£M)	1.583	1.522	1.463
Approximate % change in projected service cost	4.0%		-3.9%

*\* A rating of +1 year means that members are assumed to follow the mortality pattern of the base table for an individual that is 1 year older than them.*

### 11.10 Estimated Profit and Loss/Surplus or Deficit in Future Periods

The figures below are provided based on the assumption as at 31 March 2022 outlined above.

<b>Funded LGPS Benefits - Expected Amounts Charged to SoCNI</b>	<b>31-Mar-22</b>
	<b>£000s</b>
Current service cost *	1,522
Interest on the net defined benefit liability/(asset)	307
<b>Total</b>	<b>1,829</b>

\* The projected service cost includes an allowance for administration expenses of £0.017m and estimated payroll costs of £3.308m in the period ending 31 March 2023.

The pension cost shown in next year's accounts might be different to that shown above for the following reasons:

- (A) Next year's current service cost will be updated based on updated membership data following the completion of the 2022 triennial actuarial valuation;
- (B) Actual payroll may be different to that used in the calculations. The difference in payroll will particularly affect the current service cost;
- (C) Past service costs may not be zero (this cost is that resulting from benefit augmentations or unreduced early retirement of individual members before age 60 or on the grounds of efficiency);
- (D) Curtailment/settlement events may occur; and
- (E) Actual cash-flows over the next year may differ from those assumed.

### 11.11 Funded Benefits

The following data has been used in evaluating the figures noted above:

Active Members as at 31 March 2019	Number	Total Pay (£M)
Total	99	2.937

Pensioner & deferred pensioner members as at 31 March 2019	Number	Total Pension (£M)
Deferred members	130	0.436
Pensioner and dependants	58	0.47

Funded cash-flow data provided	Months Provided	Amount Provided (£M)	Amount Used (£M)
Employer - Normal contributions	10	0.515	-
Employer - Additional capital contributions	12	-	-
Employer - Early retirement strain on fund payments	11	-	-
<b>Total contributions by the Employer</b>			<b>0.618</b>
Employee - Normal contributions	10	0.187	
Employee - Added years contributions	10	-	
<b>Total contributions by Participants</b>			<b>0.225</b>
Transfers in		-	-
Other income		-	-
Transfers out		-	-
Retirement lump sums		-	-
Other outgo		-	-
Death in service lump sums *		-	-
Benefits paid (i.e. pension paid)		-	-
<b>Net benefits paid out **</b>		-	<b>0.670</b>

\* Calculated over the year to be £0.003m.

\*\* Figure includes an allowance for expenses of £0.016m.

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Annualised pensionable payroll over the accounting period	(£M)*
Period ending 31 March 2022	3.169
Period ending 31 March 2021	3.165

\* These figures have derived from the contributions paid over the relevant accounting period.

### 11.12 Fund Return

The investment return used to roll forward the notional share of assets from the last formal valuation of the fund to the accounting date has been calculated using returns provided by the Fund Administering Authority, where known. Where necessary, index returns appropriate to the mix of assets have been used for any remaining period to obtain an estimate of the total return over the period to the accounting date.

An allowance was made for investment management expenses by reducing the provided Fund returns by 3.0% p.a. based on the fund's experience.

The overall annualised Fund return over the accounting period has been calculated as 4.0%. This includes any adjustment to reflect the difference between fund returns and estimated index returns used over the last accounting period, where appropriate. Known Fund returns were used for the period ending 31 March 2022.

### 12. Leases

Total future minimum lease payments under operating leases are given in the table below, for each of the following periods:

	2021-22	2020-21
	£	£
Land and Buildings		
Not later than one year	100,753	100,748
Later than one year and not later than five years	219,267	220,497
Over Five Years	16,655	19,105
Total	<u>336,675</u>	<u>340,350</u>

£144,503 (2020-21: £153,727) was included as an expense on operating leases within rent and rates in the Statement of Comprehensive Net Expenditure, of which £18,990 was recharged to the Sport NI Lottery Account (2020-21: £13,320)

The land which TNOC resides on is leased and is subject to rent reviews every five years. Sport NI also leases land for outdoor activities.

The House of Sport rental agreement with DfC is on a rolling basis, cancellable with 6 months prior notice. There are no specific rent reviews contained within the lease.

Sports Institute facilities are rented from Ulster University. The current 20 year agreement is valid until 31 December 2025.

### **13. Capital Commitments**

Sport NI had nil capital commitments as at 31 March 2022 (31 March 2021: £10,000).

### **14. Other Financial Commitments**

Sport NI had £3.57m of other financial commitments at 31 March 2022 (31 March 2021: £1.598m).

### **15. Contingent Liabilities Disclosed Under IAS 37**

Sport NI is aware of one contingent liability at 31 March 2022 (31 March 2021: 2). The liability exists in respect of the Court of Appeal judgment on backdated PSNI Holiday Pay. On 17 June 2019 the Court of Appeal ruled in respect of Northern Ireland Industrial Tribunal's November 2018 decision on cases taken against the PSNI on backdated Holiday Pay. It is recognised that the final detail remains to be determined by the Industrial Tribunal which will be guided by the Supreme Court's Judgement scheduled for December 2022. Sport NI has also received an industrial tribunal claim in respect of this.

This is an extremely rare and complex case with a significant number of issues that still need to be resolved, including further legal advice with regards to the Judgement; the scope; timescales; process of appeals and engagement with Trade Unions. The legal issues arising from this judgment and the implications for the Northern Ireland Civil Service (NICS) and wider public sector will need further consideration. The Department of Finance is leading a piece of work across the NICS, reviewing the implications for each of the major staffing groups across the public sector.

Until there is further clarity when this work has concluded, and based on the inherent uncertainties in the final decision that will be made, a reliable estimate cannot be provided at this stage.

## 16. Related Parties

Individual	Organisation	Relationship	Other Expenditure in Year	Grant Payments in Year	Grants Awarded in Year	Balance at 31 March 2022	In Kind
<b>George Lucas</b> <i>Board Chair</i>	UK Sport	Director	1,800	-	-	-	-
	Ulster Branch Tennis Ireland	Former Chair, Honorary Officer & person connected Board Member	-	446	-	-	-
	Belfast Boat Club	Person connected - member	-	129,103	-	11,029	-
<b>Jay Colville</b> <i>Board Vice Chair</i>	Chartered Institute of Personnel Development	Member	353	-	-	-	-
	Royal Ulster Yacht Club	Member	-	-	20,245	-	-
	Royal Yachting Association (NI)	Member	-	174,343	-	-	-
<b>Richard Bullick</b> <i>Board Member</i>	Education Authority	Paid employee (on career break)	4,620	-	-	-	-
	Netball NI	Board Member/Non-executive Director	-	13,859	13,859	-	8,800
<b>Kyle Ferguson</b> <i>Board Member</i>	University of Ulster	Paid employee	176,752	-	-	-	-
	Irish Football Association	Educational Partnership between UU & IFA	-	15,000	19,014	4,014	-
<b>Kieran Harding</b> <i>Board Member</i>	Irish Football Association	Consultant	-	15,000	19,014	4,014	-
	Glentoran FC	Consultant	-	42,140	18,886	19,295	-
	Glentoran Recreation Company	Consultant for Glentoran FC	-	50,000	50,000	-	-
	Glentoran Academy	Consultant for Glentoran FC	-	1,000	-	-	-

Sport NI Exchequer Account 2021-22

Individual	Organisation	Relationship	Other Expenditure in Year	Grant Payments in Year	Grants Awarded in Year	Balance at 31 March 2022	In Kind
<b>Gavin Boyd</b> Board Member	Institute of Chartered Accountants	Fellow	874	-	-	-	-
<b>Denise Burns</b> Board Member	Mid & East Antrim BC	Paid employee	-	13,296	43,351	46,110	-
	St Mary's Football Club	Secretary	-	14,140	14,140	-	-
<b>Wendy Elliott</b> Board Member	UB Irish Rugby Football Union	Ulster Rugby season ticket holder	600	725,991	14,765	6,765	-
<b>Antoinette McKeown</b> CEO	Institute of Directors	Member	12,145	-	-	-	-
	Glenavon FC	Supporter	-	62,936	92,615	42,615	-
	Silverbridge Harps GAC	Person connected - Vice Chair	-	43,577	43,577	-	-
<b>Adrian Doherty</b> Senior Management Team	Chartered Institute of Management Accountants	Member	874	-	-	-	-
<b>Michael Boyd</b> Senior Management Team	University of Ulster	Member of Distinguished Graduate Alumni Group	176,752	-	-	-	-
	Irish Football Association	European A Licence qualified coach	-	15,000	19,014	4,014	-
	Street Soccer NI	Former Chair, current coach & mentor	-	1,000	-	-	-
<b>John Hart</b> Senior Management Team	Tir Na nOg GAC Randalstown	Persons connected - players	-	30,789	-	-	-
<b>Peter McCabe</b> Senior Management Team	Hockey Ireland	Person connected - Member of Development Squad	-	-	-	-	1,364
<b>John News</b> Senior Management Team	Cycling Ireland	Subscribing member	-	14,518	-	-	-



Other related parties include:

The Sport NI is a Non-Departmental Public Body sponsored by DfC. DfC is regarded as a related party and during the year the Sport NI had various material transactions with it including lease payment as referred to in Note 12 above and Grant in Aid as shown in the Statement of Changes in Taxpayers Equity.

The Sport NI's Lottery Account is also regarded as a related party to the Sport NI Exchequer Account. At 31 March 2022 £787,393 (2020-21: £ 182,680) was owed by the Sport NI Lottery Distribution Account to this account in respect of salary and other administrative costs incurred.

As a matter of policy and procedure, Sport NI maintains a publicly available register of interests where Council 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 Council Members declared an interest. Having declared an interest Council Members are required to leave the meeting while the relevant application is discussed and a decision is made.

Staff across the organisation have interests in a wide range of sporting clubs and other organisations that Sport NI may do business with. Sport NI have adequate procedures in place to ensure that staff are removed from any decision making process where they may be, or be perceived to be, conflicted.

### **17. Third Party Assets**

There are no third party assets as at 31 March 2022 (31 March 2021: Nil).

### **18. 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. There were have been no such events.

### **Date of Authorisation for Issue**

The Accounting Officer authorised the issue of these financial statements on 24 October 2022.