

# Annual Report

## 2014/2015

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# **Tourism NI** **Annual Report** for the year ended **31 March 2015.**

Laid before the Northern Ireland Assembly  
under Part II Articles 8 and 9 of the Tourism  
(Northern Ireland) Order 1992  
26<sup>th</sup> November 2015

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**Continued growth**  
Northern Ireland tourism recorded a very positive year in 2014

Hosting major events including the Giro d'Italia Big Start delivered a significant profile for tourism



**Terence Brannigan**  
Chairman, Tourism NI

## Chairman's Introduction

With continued growth in visitor numbers, visitor spend and indeed all of the key metrics, Northern Ireland tourism recorded a very positive year in 2014.

A strong performance in overnight trips taken in Northern Ireland reached an unprecedented figure of 4.5 million, up 11% on 2013 and driven largely by a very strong domestic performance (+18%).

Visitor spend also grew by 4%, reaching over three quarters of a billion pounds (£751m) for all markets in 2014 and proving that the major investment in visitor attractions and improved visitor facilities of recent years is bearing fruit.

Through the hosting of the very successful Giro d'Italia Big Start, 2014 was also a year in which our global reputation as an exciting visitor destination grew once again. This major event earned a great deal of international exposure and acclaim for Northern Ireland, demonstrating that we have much to offer our visitors.

It is pleasing that despite the pressures of an uncertain financial climate, tourism continued to hold a strong position within the economy in 2014. The industry now supports 58,000 tourism employee jobs and remains firmly established as a key driver of economic development.

In response to the Hunter Review, the past year has brought a change of name for tourism's lead body, appointments to replace the outgoing Chairman and retiring Chief Executive, greater synergy with Invest NI, the beginning of new partnerships with the 11 'super councils' and the start of the formulation of a new strategic direction for the industry.

Each of these changes were significant individually, but collectively they indicate a welcome new phase in the future development of the industry, one that offers both new opportunities for tourism and business to work together more effectively and a fresh springboard to move the industry on.

The success of the last 12 months will allow Northern Ireland to take further major steps along the road of growing tourism's vitality and importance within the economy, however, there will be challenges ahead and the next few years will be critical to the long-term development of the industry.

As we enter that period I am enthused by my role as Chairman and the role that Tourism NI will play as a driver of creativity and wealth creation in the economy and I greatly look forward to supporting the endeavours of the industry in the years ahead.

**Terence Brannigan**  
Chairman  
Tourism NI

**Building quality  
tourism assets**  
Investment in infrastructure  
will help to deliver  
world class excellence

£9 million awarded  
to 20 capital projects  
and a new golf tourism  
strategy created



**John McGrillen**  
Chief Executive, Tourism NI

## Chief Executive's Message

The past twelve months have been busy, significant and very positive both for tourism and for Tourism Northern Ireland.

As the changes to the infrastructure of the sector announced by the previous Minister for Enterprise, Trade and Investment began to bed in towards the end of the year, the statistics measuring tourism's performance revealed a very encouraging portrait of the industry.

With a strong performance in overnight trips, continued growth in spend, unprecedented holiday figures and good indications for future growth being returned in the first quarter of 2015, all the indications showed that tourism continued to flourish during 2014/2015.

During the year Tourism NI continued to work in partnership to market Northern Ireland within the island of Ireland, to attract major events, to improve the visitor experience and to deliver world-class excellence in programmes that assist the tourism industry to reach its potential.

Twenty capital projects involving £9 million of investment were completed and opened, including Aras Cholmcille in Derry~Londonderry, Benone Tourist Complex in Limavady, the Bloody Bridge Experience in the Mourne and Divis Walking Routes in the Belfast Hills. Golf tourism also grew to contribute £33 million to the economy and a new Golf Tourism Strategy was developed to drive that figure to £50 million.

Over the past number of years, and continuing through 2014, Tourism NI has been on a fast paced journey in supporting the tourism sector to achieve new heights. The transformation that has been achieved should not be underestimated in terms of Tourism NI's internal journey or in terms of the role that the organisation has played in supporting the wider tourism sector.

While the year's trends were positive, it is important to note that Northern Ireland is still a relatively emergent destination. We can be sure the competition will not stand still and therefore key challenges remain in many areas, particularly in terms of strengthening the private sector, growing the Republic of Ireland and GB markets, delivering new air routes into Belfast from Canada, Europe and Asia, and developing a fresh international brand that can compete with the best global destinations.

Tourism NI is dependent on a wide number of partners to work with us in delivering for tourism, and I wish to thank the many organisations and individuals who have supported its work to assist the industry over the past year.

I look forward to meeting the challenges that lie ahead and continuing the drive to take Northern Ireland forward as a world-class destination.

**John McGrillen**  
Chief Executive  
Tourism NI

Unlocking the potential  
Tourism NI continues  
to set strategic direction  
and build relationships  
with key stakeholders

PR relating to the  
business of tourism  
generated advertising  
equivalent value of  
£3.25 million in  
Northern Ireland

## Key Achievements

Tourism Northern Ireland's Corporate Plan for the last four years has centred on developing the visitor economy in partnership with government and industry.

During 2014, in the final year of the life of this plan, Tourism NI's success in building tourism's position on the economic agenda continued to accrue.

### A Year of Strong Performance

The official tourism statistics pointed to a strong 2014 for the tourism sector in Northern Ireland, with growth in all key metrics.

Overnight trips reached an unprecedented figure of 4.5 million, up 11% on 2013, and this was driven largely by a very strong domestic performance (+18%). GB trips remained largely unchanged from 2013, while there was a slight fall in ROI trips, however overseas trips increased, with European figures returning to pre-recession levels and North American trips reaching record levels.

Following increases in 2013, there was a continued growth in visitor spend, which grew by 4% to reach over three quarters of a billion pounds (£751 million) in 2014. The additional £29 million spent in Northern Ireland in 2014 was mainly due to the domestic market spending more (+£46 million), as well as those from ROI (+£11 million). However, the GB and overseas market suffered a decline in spend.

The increase in overall trips taken in Northern Ireland was driven by holiday trips, which attained an unprecedented number of two million. Positively, increases in holiday trips were evident for all main markets but the vast majority of the holiday growth (79%) can be attributed to the domestic market. Business trips fell with declines evident for all main market areas except GB.

Accommodation statistics for 2014 show increases in the number of rooms and bed-spaces sold overall in hotels, guesthouses, guest accommodation and B&Bs. Sales were up for hotels (with this sector reporting record levels for both rooms and beds sold), although down for guesthouses, guest accommodation and B&Bs. Findings from Tourism NI's December 2014 Industry Tourism Barometer also showed that 2014 was strong for hotels and self-catering establishments as well as attractions, while guesthouses and B&Bs found this period more challenging.

Accommodation statistics relating to January to March were also encouraging for 2015, as they showed a positive performance for hotels (achieving the highest recorded rooms and bed spaces sold for any Quarter 1), guest houses, guest accommodation and B&Bs.

### Unlocking the Potential

The key aim of our 2011–2015 Corporate Plan was to unlock the potential of the tourism industry.

To pursue this agenda a number of changes that reshaped the tourism sector infrastructure were enacted in the final quarter of 2014/2015, in response to the Review of the Northern Ireland Tourist Board and Wider Tourism Structures.

The changes focused on setting the strategic direction for tourism, building relationships within the sector, closer alignment with Invest Northern Ireland and a change of name for the lead body within tourism from the Northern Ireland Tourist Board to Tourism Northern Ireland.

As part of these changes Tourism NI began work on developing a new Northern Ireland Brand Strategy for the economy in partnership with Invest NI and initiated deeper partnerships with the 11 new district councils in Northern Ireland. Groundwork to establish and develop a new strategic vision for tourism also got underway.

The building of active relationships with key strategic partners and stakeholders continued in 2014 through Tourism NI's engagements with the All Party Tourism Group at Stormont as well as through the important Valuing Tourism initiative, which is an ongoing campaign to influence government, agencies, local councils and the industry to commit to valuing key tourism principles.

In 2014/2015 Tourism NI delivered a programme of corporate events, which included the annual Northern Ireland Tourism Awards, a major Meet the Buyer event and our industry-wide Tourism Conference. A total of 73 corporate speaking platforms were also secured to disseminate the key tourism messages.

In 2014 we continued to build key relationships with the media and in fact generated a tremendous volume of positive media coverage for Northern Ireland tourism via our Corporate Communications team and Marketing and Events Division. Corporate activity generated an advertising equivalent value of £3.25 million, a significant over achievement which was driven in part by the Giro d'Italia Grande Partenza and Game of Thrones related events.

Tourism NI recognises the importance of providing up-to-date intelligence and insights to help stay one step ahead of changing trends and visitor attitudes and our regular intelligence exchanges provide opportunities for information sharing within the industry. During the year four Tourism Intelligence Exchanges were delivered.

Tourism NI also sustained the drive to unlock tourism's potential through an extensive research and insights calendar that aims to understand and address the barriers to growth and competitiveness faced by the industry. Insight reports covered topics such as segmentation, packaging and bundling, a Northern Ireland Destination Survey and a Visitor Experience Survey. 80% of our stakeholders are satisfied with our insights and intelligence reports. 85% of attendees are also satisfied with our knowledge exchanges.

### Building the Tourism Product

During the last four years of our Corporate Plan Tourism NI has supported a huge and wide range of new tourism developments and improvements. These have included initiatives to improve visitor attractions, activity tourism products, public realm, visitor information and tourist information centres, creative industries and new technologies that showcase Northern Ireland's unique offering.

However, in the light of challenging budgetary pressures in 2014/2015 the Northern Ireland Executive reviewed all spending and as a result there were challenging conditions for Tourism NI's various funding mechanisms.

Despite this, a total of 20 capital projects were supported in 2014 under the Tourism Development Scheme, with £9 million invested and a further £6.7 million levered to complete important projects such as Aras Cholmcille in Derry~Londonderry, the Benone Tourist Complex in Limavady, the Bloody Bridge Experience in the Mourne, the Divis Walking Routes in the Belfast Hills and the West Bay Promenade in Portrush.

Work on the restoration of The Gobbins Cliff Path Walk in County Antrim also progressed in 2014, with this new attraction set to open in the summer of 2015. Tourism NI was one of a number of partners championing the development of this historic path, which, complete with visitor centre, café and playground, creates a unique coastal attraction and further improvements to the visitor experience in the Causeway Coast and Glens region. Tourism NI funding of £176,000 went in to constructing an additional cliff top path and cliff top view point to add to the overall visitor experience and increase dwell time within the area.

During 2014 funding for the Belfast Waterfront extension project was also approved under the Tourism Development Scheme. Business tourism has been identified as a key growth area for the economy over the next ten years and our funding for the £18.5 million project will ensure the city's conference facilities are a competitive alternative to the rest of the UK and Europe.

The two-storey extension will double the size of the conferencing space at the venue and enable Belfast to compete internationally as a leading convention destination. It is anticipated the project will attract 50,000 conference delegates to the city annually, doubling the current figure. It is anticipated that the venue will host an average of six national large association conferences per annum by 2020.

Due to the success of productions like the HBO fantasy series Game of Thrones and the Belfast-set BBC serial killer drama The Fall, as well as several blockbuster movies, filming in Northern Ireland is now a significant driver for the local economy. This has generated good opportunities both for the hospitality industry and for building a critical mass of screen tourism product.

In 2014 Tourism NI continued to work on developing a screen tourism sector by assisting businesses to develop themed visitor experiences and activities, location tours, themed package breaks and accommodation both for visitors attracted through screen tourism and for crews filming on location.

Food is another significant area within the overall Northern Ireland tourism product and in 2014 a budget of £750,000 was secured to enable Tourism NI to work with the food sector in delivering a Year of Food and Drink initiative throughout 2016. This will be a major initiative with the potential to make a major economic return to the Northern Ireland economy.

### Developing a Quality Visitor Experience

Tourism NI continued to invest in developing people, projects and events that improve the visitor experience and increase opportunities for visitors to spend in 2014/2015. Events in particular played a significant role in giving our visitors memorable and quality experiences.

Throughout the year our planning and support for the biggest sporting event ever hosted in Northern Ireland moved forward with increasing intensity, and the delivery of the 2014 Giro d'Italia Grande Partenza, proved to be a magnificent showcase for Northern Ireland.

An incredible atmosphere and massive broadcast and social media coverage showcased Northern Ireland as a fantastic place to visit, live in and invest in. Organisers and riders were deeply impressed at the reception they received and around 1,600 overseas journalists and photographers joined over 220,000 national and international spectators, creating a tourism impact of £12.7 million a return of £2.45 for every £1 invested.

Following the huge success of this event, Tourism NI secured significant legacy in the shape of three Gran Fondo events from 2015 to 2017. These amateur sportives in the style of the Giro will enable cyclists from all over the world to come to Northern Ireland to experience the routes and atmosphere generated by the Giro d'Italia.

The Tourism Events Fund is the main support mechanism available to the industry. In 2014/2015 the fund successfully completed on 76 separate events, with events all over Northern Ireland benefitting. These ranged from the 2014 Belfast Restaurant Week, to the Walled City Tattoo to the Happy Days International Beckett Festival in Enniskillen. The fund successfully administered £2.7 million that gained a 12:1 return on investment.

The success of another major Tourism NI funded sporting event, the 2012 Irish Open at Royal Portrush, together with the victories and profile of our major-winning players, Rory McIlroy, Graeme McDowell and Darren Clarke, enabled Tourism NI to strike a deal in 2014 with the European Tour to host two further Irish Open tournaments. These will be played in 2015, at Royal County Down, and 2017 at the Lough Erne Resort.

The Irish Open announcements were quickly followed by confirmation from the R&A that Royal Portrush has been invited to join the rota to host The Open Championship for the first time since 1951. It is expected that the tournament will visit Portrush by the end of the decade.

Golf tourism grew by 20% in 2014 to be worth £33 million to the Northern Ireland economy. To ensure its ongoing growth a new Golf Strategy was developed and launched during the year. The aim is to ensure that golf tourism realises its potential and grows to become worth £50 million to the local economy by 2020.

In 2014 Tourism NI also supported the Titanic Showdown featuring boxer Carl Frampton's successful IBF World Super Bantamweight title challenge and enabled Northern Ireland's partnering with the Republic of Ireland in the joint bid to host Rugby World Cup 2023.

### Developing Industry Capability

The capabilities and skills of people working in the tourism industry are central to making sure that visitors to Northern Ireland take away a memorable experience. Accordingly, throughout the year Tourism NI delivered a strong industry development programme, hosting 16 different events for over 848 delegates with an overall satisfaction rate of 95%.

These included Tourism Marketing Roadshows, WorldHost Customer Service Roadshows, a Business Insight focusing on the opportunities of the Belfast Waterfront extension and masterclasses in Green Tourism and ICT.

More than 80% of attendees at our industry development programme said they valued the event and 66% have made changes to their tourism enterprise or operation as a result of attending.

As part of our engagements with industry in 2014 we also attracted a total 385,000 visitors to the Tourism NI website and fostered 31,000 engagements on Twitter.

Quality and standards is another crucial aspect of developing industry capability and Tourism NI is committed to raising the excellence of both throughout the industry. Our Quality and Standards Team works with local tourism providers to implement several quality assurance grading schemes that promote the use of star ratings to help visitors distinguish between the choices and experiences on offer and the quality they can expect during their stay.

At the end of 2014 a total of 71 visitor experiences and 569 accommodation providers had been attracted to become members of the scheme and there was a 96% satisfaction rate with our quality and standards services.

### Promoting the Destination

Tourism NI delivers compelling, award-winning marketing communications programmes that increase the value of the visitor economy and promotes Northern Ireland directly to our best prospect customers at home and in the Republic of Ireland.

Despite budgetary pressures our Northern Ireland campaigns activity delivered £11.2 million into the Northern Ireland economy, while £38.1 million was generated for the economy by our Republic of Ireland campaigns. The weighted PR value of the campaigns achieved £47.5 million.

In terms of Business 2 Business (B2B) marketing, campaign activity secured 90,000 bed nights and £40.7 million of added benefit to the economy.

Tourism NI's digital platforms continued to grow in significance in 2014 and during the year there were just over 4 million visitors to [www.discovernorthernireland.com](http://www.discovernorthernireland.com), a significant increase on the previous year. The site also attracted a returning rate of 40%, showing the relevance of the content. Also, excellent Tourism NI social media activity resulted in total 1.64 million engagements. Driven by FaceBook and Youtube, these engagements demonstrate the importance of content creation aligned to segment motivations.

Familiarisation trips by overseas and Great Britain journalists generated a weighted public relations value of almost £36.3 million as a result of 453 media visiting Northern Ireland.

In total 383 tour operators were also attracted to Tourism NI events during the year.

Tourism NI provides direct support to business, conference and cruise tourism through a service level agreement with Visit Belfast. During the year Visit Belfast delivered 27,855 conference delegates, 90,770 bed nights and a £40.7 million benefit to the economy.

### Being an Excellent Organisation

Tourism NI is committed to being a first-class organisation and in 2014/2015 we continued to deliver quality services through a commitment to excellence across every activity and through embedding business improvement within the organisation.

During the year we continued to improve our internal systems and operating methods and were recognised as leaders in corporate leadership practice. We successfully achieved CORE, Northern Ireland's only corporate responsibility standard which is designed to drive continuous improvement in this area.

In addition, a preliminary analysis of the 2014/15 stakeholder survey demonstrated positive trends over time across and in the majority of key measurements of the perceptions of Tourism NI. Large improvements were indicated in the professionalism of Tourism NI staff, the leadership of the organisation and the helpfulness of staff.

Enhancing staff skills remains a priority and during the year we undertook 2,462 hours of learning and development across the organisation.

Positively, the organisation and its staff also garnered a number of significant accolades and awards during the year. They included:

- Best Tourist Board or CVB (Convention & Visitors Bureau) – Irish Media Awards
- Brighter Belfast Environmental Awards – Shortlisted
- Lifetime Achievement Award – Alan Clarke – UTV / Business Eye Awards
- Tourism and Hospitality Project of the Year – Giro d'Italia – CIM Ireland Awards
- Best use of Digital – CIM Ireland Awards
- Chair's Award – CIM Ireland Awards
- NI Special Achievement Award: Alan Clarke – NI Travel and Tourism Awards
- NI Tourism Marketing Initiative – Giro d'Italia NI Travel and Tourism Awards
- Best Tourist Board – NI Travel and Tourism Awards



# Board Members

## During the period up to 31st March 2015



**Howard Hastings**  
Chairman  
Appointed January 2009  
Concluded term March 2015

Howard Hastings is currently the Managing Director of Hastings Hotels. He is also a Director of Merrion Hotel Ltd (ROI), a Board Member of Tourism Ireland and a Board Member of Food NI. During the 1990s he was Chairman of the Institute of Directors in Northern Ireland and Founding Chairman of the Northern Ireland Hotels Federation. Howard has also been a past Chairman of Rockport Preparatory School, a member of Castlereagh College governing body and a Board Member of Business in the Community and the Bank of Ireland Advisory Board. His previous public appointments include the Training & Employment Agency, Investors in People, New Deal Task Force and the Tourism and Hospitality Training Council. In 2011 he was awarded an Honorary Doctorate by the University of Ulster and in 2014, he was awarded an OBE for services to tourism.



**Donald Price**  
Appointed January 2009  
Resigned December 2014

Donald Price was Chief Executive of the Northern Bank from 1998 until his retirement in June 2008. Prior to this he held a number of senior management positions in Northern Ireland and overseas. From 1995-1998 he was Managing Director (MD) of Belfast Telegraph Newspapers and for three years previous to that he was MD with Northern Ireland Railways Company Ltd. He worked for BP for over 18 years in a variety of commercial management roles in Europe, Asia and Africa.



**Alistair McGowan**  
Appointed January 2009  
Concluded term Dec 2014

Alistair McGowan is the Chief Executive Officer of the RUC Athletics Association with responsibility for the development and maintenance of sport, recreation and business services for 10,000 members. In 2007 he led the team which secured the World Police & Fire Games (WPF) for Belfast in 2013. Previously he was Director of the Rural College / Derrynoid Centre, Draperstown; he has also been Chairman of Sperrins Tourism and a Foundation Governor of Sperrin Integrated College. Alistair was Deputy Director of the Northern Ireland Growth Challenge with responsibility for the operation of the organisation and has held various roles with Northern Ireland Electricity, including three years with NIE International, managing a number of technical assistance, training and emergency repair projects in various parts of the world.



**Duncan McCausland**  
Appointed February 2012  
Resigned January 2015

Duncan McCausland is a recently retired Assistant Chief Constable of the Police Service of Northern Ireland. He is a Deputy Lieutenant for Co. Down and a Committee Member of the Prince's Trust Council for Northern Ireland. He sits on the Board of the Nomadic Trust and also was appointed to the Ministerial-led NI Prisons Reform Oversight Group. He is a Board member of the MLK Development Corporation as well as the Strategic Investment Board and chairs the panel that oversees the Licence Trade Responsible Retail Code.



**Katy Best**  
Appointed February 2012

Katy Best is the Commercial and Marketing Director at Belfast City Airport and is responsible for all revenue streams, marketing, communications and tourism related activity at the Airport. Katy has over 10 years' experience within tourism-related businesses in Belfast, London and Sydney. She is currently serving as a Non-Executive Director of The MAC, Tall Ships 2015 Ltd and is a Council member of NI Connections. Katy was previously a Council member of the NI Chamber of Commerce and has held a post on the Tourism Ireland Central Marketing Partnership Committee.



**Colette Goldrick**  
Appointed July 2013

Colette Goldrick has recently been appointed Northern Ireland's first full-time Director of the Association of the British Pharmaceutical Industry, the membership organisation which represents the UK interests of the research-based pharmaceutical industry. Prior to this she held a number of very senior positions in the Pfizer organisation, the international pharmaceutical company, including spells as UK Corporate Affairs Director and latterly Head of Public Affairs and Policy, Europe. In 2011/12 she was an accredited Facilitator with the NI Countryside Agri-Rural Partnership.



**Michael McQuillan**  
Appointed July 2013

Michael McQuillan is Managing Director of McQuillan Associates – a business growth consultancy supporting the SME sector in Northern Ireland. He is UK council member and Chairman of the Northern Ireland Employers Forum for People 1st. He is also a Visiting Professor at the Ulster Business School. Michael has been involved in several businesses in Northern Ireland, notably, as co-founder and Managing Director of The Streat Café Chain and The Streat Franchising Ltd.



**Angelina Fusco**  
Appointed July 2014

Angelina is the MD of Angelina Fusco Training and Consultancy since September 2013. It is a sole trader business helping individuals and groups to get their stories across through effective media interviews as well as providing training and consultancy in the areas of journalism and social media.

She joined BBC Northern Ireland in 1982 and held a variety of roles including regional journalist, radio producer and Editor of Newsgathering. From 1998 to 2013 Angelina was Editor of the local television news brand, BBC Newline, providing coverage of all breaking news stories and live programmes on special events. She played a lead role in the introduction of new digital technologies and social media to the Belfast newsroom. Angelina does not hold any other public appointments.



**Terry McCartney**  
Appointed July 2014

Terry McCartney is the owner and manager of the award winning Belmore Court & Motel in Enniskillen and is responsible for the day to day leadership and management of the 60-bedroom, four star guest accommodation.

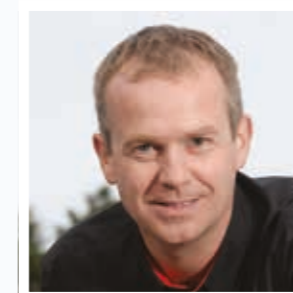
He was a lecturer in Hospitality and Computers at the South West College in Fermanagh and prior to that he held positions as a Field Sales Executive for Finlay Hydrascreeens and Promotion and Sales Executive for Dillon Bass.

In 2011, Terry held the position of Sheriff of County Fermanagh. He is also a rugby referee and an amateur photographer.



**Michele Shirlow**  
Appointed January 2015

Michele is the driver behind FoodNI, the membership organisation designed to connect the supply chain through a positive promotional message about Northern Ireland's food and drink. Now together with Taste of Ulster the campaign provides a united promotional voice for the industry and is Tourism NI's partner in promoting food. Starting six years ago with six companies FoodNI now represents 300 members and is working to deliver a year of food in tourism by 2016



**Geoff Wilson**  
Appointed March 2015

Geoff Wilson is a member of the Chartered Institute of Marketing and runs his own marketing and communications consultancy business. He is a Board Member of Sport NI and was previously the Head of Marketing and Communications at the IFA. He has a UEFA coaching badge and has gained knowledge of football administration across the globe. Mr Wilson brings experience of social inclusion through sport and marketing skills to the Board.



**Colin Neill**  
Appointed January 2015

Colin Neill joined Hospitality Ulster (the industry body of Northern Ireland's hospitality industry) as Chief Executive in August 2008, representing an industry that sustains 60,000 jobs and contributes around £1 billion annually to the Northern Ireland economy. Colin holds an MBA from the Ulster University, is a member of the Institute of Directors and the Northern Ireland Assembly and Business trust.

He is also an Audit Committee Chair of Tourism Northern Ireland.

# Strategic Report

## Statutory Background, Business Activities and Performance

The Northern Ireland Tourist Board (NITB) was set up in 1948 and operates under the Tourism (Northern Ireland) Order 1992. The Board is a “Non-Departmental Public Body” (NDPB) sponsored by the Department of Enterprise, Trade and Investment (DETI). It was renamed Tourism Northern Ireland in January 2015.

Tourism NI’s principal functions are to encourage tourism, to encourage the provision and improvement of tourist facilities and amenities, and the certification of tourism accommodation. We invest in relationships with our key strategic partners and stakeholders and offer funding mechanisms for capital projects to improve visitor attractions and activities with the aim of ultimately enhancing the visitor experience.

We also develop visitor information and have invested in the use of digital and social media. We support the industry through the development of skills and capabilities including the WorldHost programme, and devise marketing campaigns to promote Northern Ireland to the best prospective customers.

A key element of achieving our goals is working closely with a wide range of organisations in a variety of sectors. We utilise the strengths and expertise of others in their relevant fields to drive tourism forward. In addition to our head office in Belfast, Tourism NI also operates a Dublin office.

### Tourism NI Structure

Tourism NI is comprised of five divisions:

- Marketing
- Events and Business Support
- Product Development
- Corporate Development
- Organisational Development

The Marketing Division is based in both Belfast and Dublin.

Commentary on performance of the tourism sector and Tourism NI activities is included in the Chief Executive’s Message. It highlights the main trends and factors which have influenced the development of tourism in the year and going forward.

### Review of Tourism and Wider Structures

In November 2013 the Minister for Enterprise, Trade and Investment announced an independent review of the Northern

Ireland Tourist Board and wider tourism structures. The review was completed in June 2014, going to public consultation in July 2014, with the consultation period closing in September 2014. The review was broadly welcomed by stakeholders. 33 recommendations were made, all of which were accepted. These fell under the following categories:

- Setting the strategic direction for tourism
- Building relationships within the tourism sector
- Closer alignment with Invest NI.

One key recommendation was a change of name for Northern Ireland Tourist Board and on 20th January 2015 the Minister announced the organisation was to be renamed Tourism Northern Ireland. This is to signify a unified brand, renewed impetus and a fresh springboard to move the industry on.

Tourism NI is in the process of implementing the remaining recommendations.

Details of the review are included with more detail in the Governance Statement. The full report and recommendations are available on the DETI website at [www.detini.gov.uk](http://www.detini.gov.uk).

## Financial Performance

### Preparation of Financial Statements

Under Article 8 of the Tourism (Northern Ireland) Order 1992, Northern Ireland Tourist Board trading as Tourism NI is required to prepare a statement of accounts for each financial year in the form directed by the Department of Enterprise, Trade and Investment with the approval of the Department of Finance and Personnel. The accounts are prepared on an accruals basis and show a true and fair view of the state of affairs of the Northern Ireland Tourist Board trading as Tourism Northern Ireland and of the net expenditure, cash flows and changes in taxpayers’ equity for the financial year.

### Results for the Year

The Statement of Comprehensive Net Expenditure notes a deficit for the 2014/15 financial year of £26.1 million. This is compared to a deficit for the 2013/14 financial year of £21.5 million.

The total expenditure for the year was £44.4 million which includes £14.1 million from Department of Enterprise, Trade and Investment (DETI) which is passed directly to Tourism Ireland Limited.

The total income for the year was £19.3 million which as detailed before includes £14.1 million from DETI which is passed directly to Tourism Ireland Limited. A further £24.8 million was received as Financing and credited to Income and Expenditure reserves in accordance with government account regulations.

### Going Concern

Northern Ireland Tourist Board trading as Tourism NI is satisfied that the organisation is a going concern on the basis that there is no reason to believe that the department’s future sponsorship and future parliamentary approval will not be forthcoming to meet Tourism NI’s liabilities as they fall due.

It has accordingly been considered appropriate to adopt a going concern basis for the preparation of these financial statements.

## Looking Forward

The immediate highlight for 2015/16 is the Irish Open at Royal County Down in May 2015, to showcase Northern Ireland’s golfing product and to show Northern Ireland as a golfing destination. Following that, and building on the success of the Giro d’Italia in May 2014, the Gran Fonda will be taking place. This is the legacy event from the Giro d’Italia which will again showcase our premium cycling facilities. The Tall Ships will once again dock in Belfast during the summer, attracting hundreds of thousands to the Titanic Maritime Festival, the city and the shores of Belfast Lough.

Tourism NI is also continuing to invest to continually enhance the visitor experience. Attractions in 2015/16 include:

- £7.5 million project to restore Mount Stewart;
- The Gobbins in County Antrim, a two mile long cliff face path with suspended bridges, a tunnel and staircases;
- The renovation and extension to the Apprentice Boys Memorial Hall in Derry~Londonderry;
- Developments in Belfast will include the opening of the Titanic Walkways and the Belfast Window on Wildlife.

Looking ahead further will show the Museum of Free Derry, a Heritage Gateway to Fermanagh and the fruition of the HMS Caroline project to transform the First World War’s last surviving battleship into a floating museum. 2016 will also welcome the opening of the Belfast Waterfront Conference and Exhibition Centre which will enable Northern Ireland to compete on a world stage as an international convention destination.

2016 will also be a year that celebrates Northern Ireland’s food. Food tourism currently generates over £350 million per year to the local economy and this initiative which aims to entice more visitors to get a taste of Northern Ireland is expected to generate further growth in this sector. Following the success of productions such as *Game of Thrones*, *Dracula Untold*, *The Fall*, *The Frankenstein Chronicles* and the BAFTA awarded and Oscar nominated *Boogaloo and Graham*, Tourism NI is working closely with Screen NI to capitalise on tourism in this area.

Going forward, Tourism NI will continue to strive to meet its strategic objectives given the current challenging economic environment.

## Performance Against Targets

Tourism NI’s performance against the 2014/15 Operating Plan has been outlined in great detail in the Key Achievements section of the Chief Executive’s Message. Notable achievements include hosting the Giro d’Italia in May 2014.

The industry contributes 5.2% of GDP, is approaching an £800 million contribution to the economy, and is in pole position to hit Government targets to become a £1 billion industry by 2020. In line with this, the industry supports 43,000 jobs, being one in every 18 jobs, and has grown by 10% over the last five years. During 2014, the extension to the Belfast Waterfront was approved and work has already started on this project. Business tourism is a key growth area for the future and this extension will provide a location for Belfast to compete within Europe. Golf tourism is another area identified for growth, with a 20% increase in 2014.

## Risks and Uncertainties

Section 2.6 of the Governance Statement outlines Tourism NI’s approach to risk management, identifying and reporting on risks and management of risks.

Risks being managed as at 31 March 2015 were categorised as follows:

- External
- Operational
- Financial / compliance
- Reputational

# Sustainability Report

In March 2015 Tourism NI achieved CORE accreditation, awarded by Business in the Community, CORE is Northern Ireland's only Corporate Responsibility (CR) standard. The accreditation is a framework for identifying and measuring CR activity and performance across organisations. It aims to help companies map their entire CR activity, benchmark it against other organisations, and to have CR strategy verified by an external assessor.

Through achieving CORE accreditation Tourism NI has been able to map its entire CR activities under People, Planet and Place themes and to assess how activities in these areas perform against important CR measures, including marketplace responsibility, stakeholder engagement and responsible leadership. CORE is designed to drive continuous improvement in CR practice and can highlight areas for organisational improvement. The process of gaining this award will assist Tourism NI in preparing for European Foundation for Quality Management (EFQM) reaccreditation in 2015.

## CR Programme 14/15

Tourism NI's CR Programme is built around three key strands:

- **People** - Our health and wellbeing activities focus on developing and promoting a healthy workplace;
- **Planet** - Our environmental activities aim to help Tourism NI be a sustainable organisation;
- **Place** - we aim to have a positive impact on our community through support, volunteering and fundraising.

In 2014/15 the key results from our CR Programme included the following.

### People – Health and Wellbeing Activities

In 2014/15 the Health and Wellbeing strand of our CR programme has focused on promoting staff awareness of health issues, with a view to improving the overall health and motivation of our people. Throughout the year staff awareness activities on key events were promoted, such as Bike to Work Week and Mental Health Awareness Week. Under our Health and Wellbeing activity the services of Carecall are offered to staff alongside Benenden Health Care Provision. Carecall's Employee Assistance Programme provides counselling support to employees facing difficult or diverse personal challenges.

As part of our CR programme staff have formed a Bicycle User Group and have hosted Cycling Proficiency Training Sessions and bike maintenance workshops in conjunction with Belfast City Council. The Cycle-to-work scheme is available to all staff to purchase bicycles tax free and bike parking and changing facilities are available for staff use.

Promoting sustainable travel options forms part of our Workplace Travel Plan which has been developed in conjunction with Department for Regional Development as part of their 'Travelwise' initiative to encourage the use of sustainable transport options. Our Travel Plan has helped Tourism NI to focus on promoting travel initiatives that benefit staff health and to make cost savings. As part of this plan Translink's TaxSmart scheme was offered to staff, providing savings of up to 32% on annual bus commuting costs.

### Planet – Environmental Activities

In 2014/15 Tourism NI entered into a three year funding agreement with Keep Northern Ireland Beautiful (KNIB) to support the development and promotion of their 'Live Here, Love Here' Civic Pride Campaign. The objectives of the initiative include the reduction of coastal litter in the long term; and the development of a Northern Ireland wide civic pride promotional campaign which addresses the endemic causes behind littering and other negative environmental behaviour. The initiative includes the mobilisation of a coastal volunteer network and a small grants scheme which community organisations can apply to for funding of local environmental improvement works. Tourism NI has supported KNIB in this initiative as it recognised that a green, clean pleasant environment will ultimately be appealing and of benefits to tourists coming to Northern Ireland.

Also in 2014/15, through our CR programme we have maintained our silver accreditation in the Green Tourism scheme and have promoted the scheme to the wider tourism industry in order to actively grow the number of accredited businesses in Northern Ireland. The Green Tourism scheme provides a structured approach for organisations in the tourism industry who want to develop their sustainable business practices. It is one of the world's most highly rated green certification schemes, with over 2,000 members in the UK and Ireland. Green Tourism has helped Tourism NI to maintain a focus on reducing energy costs and to cut the volume of waste sent to landfill. We continue to maintain our Sustainable Visitor Charter to provide information and tips to visitors on how to travel around NI sustainably, and we have

promoted our Green Guide to help encourage and support tourism and hospitality businesses to 'go green' ([www.tourismni.com/greentourism](http://www.tourismni.com/greentourism)).

### Place – Volunteering, Fundraising and Community Engagement Activities

In June 2014 we completed our two year charity partnership with Marie Curie, having raised over £6,000 through our fundraising activities. After a call for expressions of interest for a new partnership we received 48 applications from charitable organisations, and in October 2014 our staff chose Guide Dogs NI as our official charity partner for the next two years. Up to 31st March 2015 Tourism NI staff had raised £1,500 in support of our new charity.

As part of our CR activities in 2014/15 five members of staff were placed on Arts and Business NI's 'Young Professionals on Arts Board' programme. Funded by the Arts Council of Northern Ireland this initiative matches young professionals to leading cultural organisations to gain experience as non-executive board members, in return for their insights, creative thinking and energy. Tourism NI hosted seven University Placement Students in various units throughout the organisation in 14/15, imparting valuable knowledge, experience and career skills in the process, with the aim of helping to build the tourism leaders of tomorrow. Tourism NI also worked with Young Enterprise NI as part of their Masterclass programme which is designed to give students an exciting insight into the world of work and to inspire them to explore the possibilities of working in specific industries.

### Employee Policies

Tourism NI aims to act as a good employer in all matters relating to its responsibilities and obligations for health and safety at work, ensuring that the way business is conducted does not harm the health and safety of staff, visitors, suppliers or third parties and making sure all legal requirements are met.

Tourism NI gives full and fair consideration to applications for employment made by disabled persons, having regard to their particular aptitude and abilities, for the continuing employment of, and for arranging appropriate training for, employees of Tourism NI that have become disabled persons during the period when they were employed by the organisation, and otherwise for the training, career development and promotion of disabled persons employed by Tourism NI.

### Equality Policy

Tourism NI is committed to upholding equality of opportunity and regard to the desirability of promoting good relations across persons of different religious belief, political opinion or racial group.

Tourism NI's Equality Policy is developed in accordance with Section 75 and Schedule 9 of the Northern Ireland Act 1998. It is available on [www.tourismni.com](http://www.tourismni.com). In the year 2014/15, five policies were subjected to equality screening and the outcome was notified to all relevant individuals and organisations.

A breakdown of staff in Tourism NI is included below.

	2014/15			2013/14		
	Male	Female	Total	Male	Female	Total
<b>Board Members</b>	4	4	8	5	2	7
<b>Senior Management Team</b>	2	6	8	2	6	8
<b>Employees</b>	38	105	143	41	117	158
<b>Total</b>	44	115	159	48	125	173



**John McGrillen**  
Accounting Officer  
24 September 2015

# Directors' Report

## for the year ended 31 March 2015

The directors present their report and financial statements for the year ended 31 March 2015.

The net expenditure for the year is £25,206,318 (2013/14, £21,625,774).

### Directors

The Directors are the Board Members as listed in Section 2.1 of the Governance Statement.

### Pension Liabilities

IAS 19 now requires employers participating in a defined benefit pension scheme to account for their share of assets and liabilities in the scheme. In preparing the accounts for 2014/15 additional information has been included in note 15 and the valuation at 31 March 2015 has been included in the Statement of Financial Position. The date of the last full actuarial valuation was 31 March 2013.

### Prompt Payment Policy

Tourism NI is committed to the prompt payment of bills for goods and services received in accordance with the Government's Better Payments Practice Payment Code.

Unless otherwise stated in the contract, payment is due within 30 days of the receipt of the goods, or services, or presentation of a valid invoice or similar demand, whichever is later. Regular reviews conducted to measure how promptly Tourism NI paid its bills found that 99% (2013/14 – 99%) of bills were paid within this standard.

In December 2008 the Government and Institute of Credit Management launched the new Prompt Payment Code setting a target of paying invoices within 10 days. Under this initiative Tourism NI achieved 95% of bills paid within 10 days (2013/14 – 95%).

### Register of Interests

The Chairman, Board Members and Executive Team are required to register all interests, direct or indirect, which members of the public might reasonably think could influence their judgement. The register of interests is available for public inspection by contacting the Communications Team, Tourism Northern Ireland, St Anne's Court, 59 North Street, Belfast, BT1 1NB.

### Complaints Handling

Tourism NI aims to provide a professional, high quality service to our customers and stakeholders and we welcome any comments or feedback which will help us to improve our service.

Our comments and feedback procedures are broken down into three key areas: making a complaint about tourist accommodation premises or other tourist amenities, including visitor attractions or specifically about the organisation.

If a complaint is made in person or by phone we will discuss the complaint and try to resolve the matter at that time. If necessary, a written record will be made in order to investigate the complaint further. A letter will be sent within 15 working days inform the complainant of our intended action to resolve the matter.

If a complaint is made in writing where possible Tourism NI will respond within five working days from receipt. Alternatively, an acknowledgement will be issued advising that the complaint has been received and is currently being investigated. Contact will be made within 15 working days from issue of the acknowledgement, and will either be advised of the outcome and what we intend to do or advised of the anticipated timescale for completing the investigation.

During the reporting period 2014/15 there were no complaints about services provided by Tourism NI (2013/14 – 2 complaints).

Further information on the monitoring of complaints may be sought by request at [info@nitb.com](mailto:info@nitb.com)

### Off-Payroll Payments (greater than £58,200)

There were no off-payroll payments made in 2014/15 (2013/14 – nil).

### Charitable and Political Donations

No charitable or political donations have been made by Tourism NI in 2014/15 (2013/14 – nil).

### Sickness Absence Data

During the year 2014/15 Tourism NI recorded a staff sickness absenteeism rate of 5.3% or 12.8 days (2013/14 – 3.3% or 8 days).

### Personal Data Related Incidents

There were no reported Personal Data Related Incidents in 2014/15 or 2013/14.

### Post Balance Sheet Events

There have been no significant events since the year end which would affect the accounts.

### Auditors

The Comptroller and Auditor General is the external auditor for Tourism NI. During the year payments totalling £1,232 were made to the Northern Ireland Audit Office in respect of non-audit work.

As Accounting Officer, I can confirm that there is no relevant audit information of which the auditors are unaware. I have taken all the steps that I ought to have taken to make myself aware of any relevant audit information and to establish that the auditors are informed of it.



**John McGrillen**  
Accounting Officer  
24 September 2015

# Remuneration Report

## 1. Remuneration Policy

### 1.1 Chairman and Board Members

The Chairman and Board Members are appointed in accordance with the Code of Practice of the Office of the Commissioner for Public Appointments for Northern Ireland. The Chairman and Board Members are appointed for a fixed period of up to three years. Thereafter they may be re-appointed in accordance with the Code of Practice.

The remuneration of the Chairman and Board is set by Department of Enterprise, Trade and Investment (DETI). Increases are calculated in line with the recommendations of the Senior Salaries Review Board. There are no arrangements in place for the payment of a bonus. Neither the Chairman nor any Board Member receives pension contribution from Tourism NI or DETI. Tourism NI reimburses the Chairman and Board Members for any incidental expenses incurred for carrying out their duties relevant to the organisation.

### 1.2 Chief Executive and Senior Management Team

Progression for the Chief Executive is in accordance with the Senior Civil Service (SCS) Pay Strategy 2008, which is consistent with Cabinet Office guidelines. The Chief Executive's remuneration is subject to a pay band minima and maxima in line with pay arrangements in place for SCS staff. The effective date for pay award is 1 April each year.

Members of the Senior Management Team are paid on the same arrangements which apply to the Northern Ireland Civil Service. Their performance against previously agreed targets is assessed annually by the Chief Executive. Pay increases are entirely performance-based.

Directors are normally placed on the bottom point of a six-point scale on appointment (seven points for the Chief Operating Officer). Thereafter, there is annual incremental progression, based on performance, until the maximum of the scale is reached. A common incremental date of 1st August is used for all Directors.

### 1.3 Service Contracts

The Chief Executive and the Senior Management Team appointments are made in accordance with Tourism NI's recruitment and selection policy. The policy requires appointments to be made on merit and on the basis of fair and open competition.

The Chief Executive and Senior Management Team hold permanent appointments. The normal retiring age is 65, although staff may retire at any time after age 60 with no diminution of earned pension benefits. Policy relating to notice periods is contained in Tourism NI's Staff Handbook.

### 1.4 Pensions

Tourism NI participates in the Northern Ireland Local Government Officers Superannuation Committee (NILGOSC) pension scheme for senior staff, which is also available to all employees. This is a statutory scheme that benefits on a final salary basis at a normal retirement age of 65. From 1st April 2015 the scheme will no longer be based on a final salary basis but a career revalued earning scheme.

The pension costs are assessed in accordance with the advice of independent qualified actuaries using the 'market led' approach. The latest actuarial valuations of the scheme were at 31 March 2015 although the last full actuarial valuation was 31 March 2013.

Benefits accrue at the rate of 1/60<sup>th</sup> of pensionable salary for each year of service (1/49<sup>th</sup> from 1 April 2015 and 1/80<sup>th</sup> before 1 April 2009). In addition, a tax free lump sum may be payable on retirement. Pensions increase in line with the Consumer Prices Index (previously the Retail Prices Index). On death, pensions are payable to the surviving spouse at a rate of half the member's pension. On death in service, the scheme pays a lump sum benefit of three times pensionable pay and also provides a service enhancement on commuting the spouse's pension. Medical retirement is possible in event of serious ill-health. In this case pensions are brought into payment early.

The scheme is funded by contributions made by both employees and employers. An actuarial valuation of the scheme is carried out every three years and the results of this valuation determine employers' contribution rates for the next three years. The valuation for the three years ended 31 March 2013 set the employers' contribution rates at 20% for each of the next three years. Tiered employee contribution rates were introduced from 1 April 2009 and the employee contribution rates for 2015/16 are outlined below.

Pensionable Pay	Employee Contribution Rate
up to £14,000	5.5%
£14,001 to £21,300	5.8%
£21,301 to £35,600	6.5%
£35,601 to £43,300	6.8%
£43,301 to £85,000	8.5%
More than £85,000	10.5%

The accrued pension quoted is the pension the member is entitled to receive when they reach pension age, or immediately on ceasing to be an active member of the scheme if they are at or over pension age. Pension age is 65 for members however from 1 April 2015 normal retirement age will no longer be age 65, it will be the same as the state pension age. State pension ages have been increasing and you can find out your state pension age at [www.gov.uk/calculate-state-pension](http://www.gov.uk/calculate-state-pension). This means that your new normal retirement age for benefits built up under the 2015 scheme could be older than age 65. Further details about the NILGOSC pension arrangements can be found at the website [www.nilgosc.org.uk](http://www.nilgosc.org.uk)

The inflation rate used in this year's calculations is 1.2%.

## 2. Salary and Pension Entitlement - Audited

The following tables provide details of the remuneration and pension entitlements of the Chief Executive, Senior Management Team and Tourism NI Board Members.

### 2.1 Remuneration (Including Salary) and Pension Entitlements – Senior Management Team

	2014/15					2013/14				
	Salary	Bonus	Benefits in Kind	Pension Benefits	Total	Salary	Bonus	Benefits in Kind	Pension Benefits	Total
	£000	(tonearest £100)	(tonearest £1000)	£000	£000	£000	(tonearest £100)	(tonearest £1000)	£000	£000
<b>Alan Clarke*</b> Chief Executive	45-50 (85-90 FYE)	-	-	34	80-85	85-90	-	-	39	125-130
<b>David Thomson</b> Interim Chief Officer	35-40 (85-90 FYE)	-	-	-	35-40	-	-	-	-	-
<b>Kathryn Thomson</b> Chief Operating Officer	65-70	-	-	14	80-85	65-70	-	-	11	80-85
<b>Louise Kearney</b> Director of HR	50-55	-	-	14	65-70	50-55	-	-	11	65-70
<b>Laura McCorry*</b> Acting Director of Product Development	40-50 (50-55 FYE)	-	-	9	50-55	50-55	-	-	14	65-70
<b>Stephen Finlay*</b> Acting Director of Corporate Development	10-15 (45-50 FYE)	-	-	16	25-30	35-40 (45-50 FYE)	-	-	15	55-60
<b>Susie McCullough</b> Director of Business Support and Events	50-55	-	-	11	60-65	50-55	-	-	7	60-65
<b>Naomi Waite</b> Director of Marketing	45-50	-	-	12	60-65	45-50	-	-	12	60-65
<b>Ross Fothergill*</b> Director of Business Development	20-25 (FTE 45-50)	-	-	-	-	20-25 (45-50 FYE)	-	-	11	60-65
<b>Aine Kearney</b> Director of Product Development	45-50	-	-	13	60-65	45-50	-	-	5	55-60

\* Alan Clarke retired on 30 September 2014

\* David Thomson was appointed interim Chief Executive on 15 September 2014

\* Laura McCorry was appointed to the post of Acting Director of Product Development from 14 January 2015

\* Stephen Finlay was appointed to the post of Acting Director of Corporate Development from 12 January 2015

\* Ross Fothergill resigned during 2013-14

Note: 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 include increases due to inflation or any increase or decreases due to a transfer of pension rights.

### 2.2 Remuneration (Including Salary) and Pension Entitlements – Board Members

	2014/15			2013/14		
	Salary	Benefits in Kind	Total	Salary	Benefits in Kind	Total
	£000	£000	£000	£000	£000	£000
<b>Howard Hastings*</b> Chairperson	25-30	-	25-30	20-25	-	20-25
<b>Clive Gordon*</b> Board Member	-	-	-	0-5	-	0-5
<b>Thompson Keating*</b> Board Member	-	-	-	0-5	-	0-5
<b>Alistair McGowan*</b> Board Member	0-5	-	0-5	0-5	-	0-5
<b>Sally Montgomery*</b> Board Member	-	-	-	0-5	-	0-5
<b>Donald Price*</b> Board Member	0-5	-	0-5	0-5	-	0-5
<b>Martyn Todd*</b> Board Member	-	-	-	0-5	-	0-5
<b>Katy Best</b> Board Member	5-10	-	5-10	0-5	-	0-5
<b>Duncan McCausland*</b> Board Member	0-5	-	0-5	0-5	-	0-5
<b>Colette Goldrick</b> Board Member	5-10	-	5-10	0.5	-	0.5
<b>Michael McQuillan</b> Board Member	5-10	-	5-10	0.5	-	0.5
<b>Angelina Fusco*</b> Board Member	0-5	-	0-5	-	-	-
<b>Terry McCartney*</b> Board Member	0-5	-	0-5	-	-	-
<b>Michele Shirlow*</b> Board Member	0-5	-	0-5	-	-	-
<b>Geoff Wilson*</b> Board Member	0-5	-	0-5	-	-	-
<b>Colin Neill*</b> Board Member	0-5	-	0-5	-	-	-

\* Howard Hastings resigned on 31 March 2015

\* Clive Gordon resigned on 31 December 2013

\* Thompson Keating resigned on 30 June 2013

\* Alistair McGowan resigned on 31 December 2014

\* Sally Montgomery resigned on 30 June 2013

\* Donald Price resigned on 31 December 2014

\* Martyn Todd resigned on 31 December 2013

\* Duncan McCausland resigned on 31 January 2015

\* Angelina Fusco was appointed on 1 July 2014

\* Terry McCartney was appointed on 1 July 2014

\* Michelle Shirlow was appointed on 1 January 2015

\* Geoff Wilson was appointed on 1 March 2015

\* Colin Neill was appointed on 1 January 2015

Tourism NI Board Members do not have any pension entitlements.

## 2.3 Pension Entitlements

	Accrued Pension at 65 as at 31 March 2015	Real increase in Pension	Accrued lump sum	Real increase in Lump sum	CETV at 31 Mar 2015	CETV at 31 Mar 2014	Real increase in CETV
	£ 000	£ 000	£ 000	£ 000	£ 000	£ 000	£ 000
<b>Senior Management Team</b>							
<b>Alan Clarke</b> Chief Executive	40-45	0-2.5	100-105	0-2.5	918	871	41
<b>Kathryn Thomson</b> Chief Operating Officer	10-15	0-2.5	20-25	<0	179	162	15
<b>Louise Kearney</b> Director of HR	5-10	0-2.5	0-5	0-2.5	79	66	13
<b>Laura McCorry</b> Director of Corporate Development	5-10	0-2.5	0-5	<0	46	40	6
<b>Stephen Finlay</b> Director of Corporate Development	5-10	0-2.5	5-10	0-2.5	54	44	9
<b>Susie McCullough</b> Director of Business Support and Events	15-20	0-2.5	30-35	<0	214	198	13
<b>Naomi Waite</b> Director of Marketing	0-5	0-2.5	0-5	0-2.5	16	8	8
<b>Aine Kearney</b> Director of Product Development	0-5	0-2.5	0-5	0-2.5	14	6	7

Note: The real increase figure shows adjustment for inflation. The CETV real increase also shows an adjustment for changes in market investment factors

Tourism NI Board Members do not have any pension entitlements.

## 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 ex-gratia payments. This report is based on payments made by Tourism NI and thus recorded in these accounts.

## Bonuses

During the year 2014/15 there were no bonuses paid (2013/14 – nil) to the Chief Executive and Senior Management Team.

## Benefits in Kind

The monetary value of benefits in kind covers any benefits provided by the employer and treated by the HM Revenue and Customs as a taxable emolument. Neither members of the board nor senior management received any benefits in kind during 2014/15 (2013/14 – nil).

## Compensation for Loss of Office

During 2014/15 there was no compensation paid of loss of office (2013/14 – £nil).

## Cash Equivalent Transfer Value (CETV)

A 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 a member leaves a scheme and chooses to transfer the benefits accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which disclosure applies.

The figures include the value of any pension benefit in another scheme or arrangement which the individual has transferred to the NILGOSC 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 in Lifetime Allowance Tax which may be due when pension benefits are taken.

## The Real Increase in the Value of the CETV

This is 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 used common market valuation factors for the period.

## 3. Audited Median Earnings of the Organisation's Workforce

Tourism NI is required to disclose the relationship between the remuneration of the highest paid director and the median remuneration of the organisation's workforce.

The banded remuneration of the highest paid Director during the financial year 2014/15 was £85,000 – £90,000 (2013/14 was £85,000 to £90,000). This remuneration was 3.1 times (2013/14 – 3.1) the median remuneration of the workforce, which was £28,498 (2013/14 – £28,498).

	2014/15	2013/14
	£000	£000
<b>Remuneration of Highest Paid Director</b>	85-90	85-90
<b>Median Employee Remuneration</b>	28,498	28,498
<b>Ratio</b>	3.1	3.1

The calculation is based on the gross salary of full-time equivalent staff as at 31 March 2015 on an annualised basis. It does not include employer pension contributions and the cash equivalent transfer value of pensions.



**John McGrillen**  
Accounting Officer  
24 September 2015



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# Financial Accounts

for the year ended  
31 March 2015

# Statement of the Board's and Chief Executive's Responsibilities

Under Article 8 of Tourism (Northern Ireland) Order 1992, the Board is required to prepare a statement of accounts for each financial year in the form directed by the Department of Enterprise, Trade and Investment with the approval of the Department of Finance and Personnel. The accounts are prepared on an accruals basis and show a true and fair view of the state of affairs of the Tourism NI at the year end, and of the comprehensive net expenditure, changes in taxpayers' equity and cash flows for the financial year.

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

- Observe the Accounts Direction issued by the Department of Enterprise, Trade and Investment, 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 the going concern basis, unless it is inappropriate to presume that Tourism NI will continue in operation.

The Accounting Officer of the Department of Enterprise, Trade and Investment has designated the Chief Executive as Accounting Officer of Tourism NI. As Accounting Officer, the Chief Executive has responsibility for the propriety and regularity of the public finances for which he or she is answerable, for the keeping of proper records and for safeguarding Tourism NI's assets, as set out in Managing Public Money Northern Ireland, issued by the Department of Finance and Personnel.

**Tourism NI**  
**St Anne's Court**  
**59 North Street**  
**BELFAST**  
**BT1 1NB**

# Governance Statement

## 1. Introduction

The purpose of this statement is to attest the continuing effectiveness of the governance arrangements of the Tourism Northern Ireland (Tourism NI) that support the achievement of our organisational policies, aims and objectives.

Corporate governance refers to the system by which the organisation is directed and controlled. The effectiveness of direction and control of an organisation can be linked to:

- **Governance** - how well an organisation plans, sets, communicates and monitors progress against its corporate objectives;
- **Risk management** - how the organisation identifies, considers and manages the risks to the achievement of its objectives;
- **Business controls** - how the organisation's board assures itself and its stakeholders that it is in control of the business and the associated risks.

## 2. Governance Framework

As Accounting Officer, I am personally responsible for the overall accountability arrangements of the organisation which include: maintaining a sound system of corporate governance; an effective system of internal controls; assessing the organisational capacity to handle and manage risk; and maintaining propriety and regularity of public finances, in accordance with the responsibilities assigned to me in Managing Public Money Northern Ireland (MPMNI).

I am also responsible for ensuring compliance with the requirements of Tourism NI's Management Statement and Financial Memorandum (MSFM) agreed between Tourism NI and the Department of Enterprise, Trade and Investment (DETI) and ensuring compliance with other government directives and guidance on good practice in corporate governance.

## Compliance with Corporate Governance Code

As a Non Departmental Public Body (NDPB) of the Department of Enterprise, Trade and Investment (DETI), Tourism NI has been expected to adopt the practices set out in HM Treasury's "Corporate Governance In Central Government Departments: Code of Good Practice (NI) 2013" (the Code). Tourism NI has complied with the principles of good practice in the Code.

In compliance with the code, Tourism NI has established and maintained key organisational structures which support the delivery of corporate governance.

## Organisation and Structures

The key organisational structures which support the delivery of corporate governance are the:

- Tourism NI Board;
- Audit Committee;
- Weekly Senior Management Team meetings.

## 2.1 Tourism NI Board

Northern Ireland Tourist Board trading as Tourism NI operates under the Tourism (Northern Ireland) Order 1992. Tourism NI's principal functions are to encourage tourism; to encourage the provision and improvement of tourist facilities and amenities; and the certification of tourism accommodation.

The Board consists of a Chairman and eight non-executive Board Members, who are appointed by the Minister for Enterprise, Trade and Investment, in accordance with the Code for Public Appointments for Northern Ireland. The Board takes an objective long-term view of the business, providing strategic oversight and scrutiny to assist the Accounting Officer in meeting his or her corporate governance responsibilities. The performance of Board Members is formally assessed by the Chairman on an annual basis. The Board meets a minimum of eight times per year.

The Board has corporate responsibility for ensuring that Tourism NI fulfils the aims and objectives set by the Department and approved by the Minister, and for promoting the efficient, economic and effective use of staff and other resources by Tourism NI. To this end, and in pursuit of its wider corporate responsibilities, the Board:

- establishes the overall strategic direction of Tourism NI within the policy and resources framework determined by the Department;
- ensures that the Department is kept informed of any changes which are likely to impact on the strategic direction of Tourism NI or on the attainability of its targets, and determine the steps needed to deal with such changes;
- ensures that any statutory or administrative requirements for the use of public funds are complied with; that the Board operates within the limits of its statutory authority and any delegated authority agreed with the Department, and in accordance with any other conditions relating to the use of public funds; and that, in reaching decisions, the Board takes into account guidance issued by DFP and the Department;
- ensures that the Board receives and reviews regular financial information concerning the management of Tourism NI; is informed in a timely manner about any concerns relating to the activities of Tourism NI; and provides positive assurance to the Department that appropriate action has been taken on such concerns;
- demonstrates and ensures high standards of corporate governance are observed at all times. This includes using the independent Audit and Risk Assurance Committee to help the Board address key financial and other risks facing Tourism NI;
- appoints a Chief Executive of Tourism NI subject to the approval of the Department and, in consultation with the Department, sets performance objectives and remuneration terms linked to these objectives for the

Chief Executive which give due weight to the proper management and use of public monies.

### Board Performance and Effectiveness

During the 2014/15, the Tourism NI Board met a total of nine times. Details of the attendance of members during the year are shown below:

Board Member	Meetings Attended	Out of a Possible
Katy Best <sup>1</sup>	6	9
Angelina Fusco <sup>2</sup>	5	6
Howard Hastings	9	9
Colette Goldrick	8	9
Duncan Mc Causland <sup>3</sup>	2	8
Alistair McGowan <sup>4</sup>	6	7
Michael McQuillan	9	9
Terry McCartney <sup>5</sup>	6	6
Colin Neill <sup>6</sup>	2	2
Donald Price <sup>7</sup>	6	7
Michele Shirlow <sup>8</sup>	2	2
Geoff Wilson <sup>9</sup>	1	1

1. Katy Best was on maternity leave for part of the year
2. Angelina Fusco was appointed on 1st July 2014
3. Duncan McCausland commenced a leave of absence on 24th June 2014 and completed his term on 31st January 2015
4. Alistair McGowan completed his term on 31st December 2014
5. Terry McCartney was appointed on 1st July 2014
6. Colin Neill was appointed on 1st January 2015
7. Donald Price completed his term on 31st December 2014
8. Michele Shirlow was appointed on 1st January 2015
9. Geoff Wilson was appointed on 1st March 2015

The Board focused on the strategic objectives of Tourism NI and monitored performance against these targets. The Board received management information reports including financial and risk managements to discharge its duties.

The Board, in discharging its responsibilities, delegates the day to day management of Tourism NI to the Senior Management Team (SMT), which consists of a Chief Executive, a Chief Operating Officer and five Executive Directors. The SMT is responsible for implementing the strategy of the organisation and formulating robust policies and strategies in pursuance of corporate aims and objectives.

In 2010 the Board commissioned an independent review of its effectiveness. A number of actions were taken based on recommendations made. Since then, on an annual basis the Board has convened a strategic away day which includes a review of its own performance and setting of its own objectives for the following year. However, given the changes to the Board in 2014/15 an away day was deferred. It is hoped this will be scheduled in 2015/16.

### Conflicts of Interest

All interests of both Board Members and SMT are recorded on a Register of Interests. This is updated as any new appointments occur to ensure that any conflict is recognised immediately. This Register of Interests is published on [www.tourismni.com](http://www.tourismni.com). Conflicts of interest are also declared at the beginning of all Board and Audit and Risk Assurance Committee Meetings and the Member will excuse themselves from the relevant discussion. On one occasion, a conflict was declared in a Board meeting and the Member concerned was excused from the meeting while the conflicting item was discussed.

Tourism NI introduced a new policy for directorship on external boards in 2013/14 to provide greater clarity for Board Members and staff members alike about the process for accepting invitations to sit on external boards.

The procedure regarding conflicts of interest is held centrally and is available to all staff.

### Key Issues Considered by the Board

During the 2014/15 year the Board considered the following key issues:

- Development and approval of the annual Operating Plan and budget allocation against organisational priorities and resulting pressures;
- Quarterly review of performance – operating plan, management accounts and risk management;
- Independent review of NITB and wider tourism structures as announced by the Minister;
- Events including Giro d'Italia;
- Capital projects including HMS Caroline and the Railway Preservation Society of Ireland;
- Waterfront Conference and Exhibition Centre project;
- Northern Ireland Audit Office (NIAO) Report to those Charged with Governance 2013/14;
- Campaigning for Tourism;
- Joint action plans with Invest NI including NI Brand Strategy.

The Board hosted dinner engagements with key stakeholders in Enniskillen and Strangford during the year.

## 2.2 Independent Review of NITB and Wider Tourism Structures

On the 14th November 2013, the Minister for Enterprise, Trade and Investment announced a review of the Northern Ireland Tourist Board and wider tourism structures. The review was independent and was led by a retired Permanent Secretary of the Department of Finance and Personnel.

The review was completed in June 2014 with ten key recommendations from 33 in total. It was presented for public consultation in July 2014. The ten key recommendations were:

- The NI Executive should publish an updated Strategy for Tourism;
- NITB should continue to work with Invest NI to develop an economic development brand for NI;
- NITB should clarify roles and responsibilities with key partner organisations, including the new District Councils through Memoranda of Understandings;
- NITB and Tourism Ireland should deepen their relationship through improved communication and enhanced collaboration, with robust targets for increasing tourism numbers based on the updated Strategy for Tourism;
- NITB should appoint pillar managers for each of its five experience pillars, working alongside existing destination managers;
- Invest NI and DEL/People 1st should continue to provide business support services and training services respectively to the tourism industry;
- DEL should initiate a review of the skills needs for the tourism sector;
- NITB's organisational structure should be built around support for its destination managers and proposed pillar managers in a new Directorate for Destination Areas and Experiential Pillars;

- NITB should engage in an organisation development and culture programme to embed a renewed focus on the client;
- NITB's name should be changed in order to signal the scale of its envisaged transformation.

On the 20th January 2015, the Minister announced the outcome of the review and consultation. The review was widely welcomed by stakeholders and there was widespread support for the implementation of all 33 recommendations under three headings:

- Setting the strategic direction for tourism;
- Building relationships within the tourism sector;
- Closer alignment with Invest NI.

To signal the start of the transformation, the Northern Ireland Tourist Board was renamed to Tourism NI and was officially changed on 23rd February 2015. The legal entity still remains as Northern Ireland Tourist Board but is trading and known as Tourism NI.

Tourism NI was tasked by the Minister with leading the way in implementing the recommendations and has started this process.

The full report and recommendations are available on the DETI website at [www.detini.gov.uk](http://www.detini.gov.uk).

## 2.3 The Tourism NI Audit and Risk Assurance Committee

The work of the Board is supported and advised by an Audit and Risk Assurance Committee. The Committee includes four non-executive members and during the course of 2014/15 met four times. The Chief Executive, Chief Operating Officer, HR and Organisational Development Director, Finance Manager, Internal Audit (IAS) and External Audit (NIAO) and a representative from DETI are all invited to attend all meetings. The Committee supports the Board and the Accounting Officer by reviewing the comprehensiveness, reliability and integrity

of assurances in meeting the Board and Accounting Officer's responsibilities. This includes the Risk Management Framework and Internal Control Environment. The Committee reviews the Annual Report and Financial Statements before submission to the Board to ensure a true and fair view of the financial position is presented.

The Board is also supported by a Policy Committee consisting of three Board Members. The Policy Committee meets on an ad hoc basis with responsibility for reviewing and recommending for Board approval Tourism NI's policies and procedures.

The Audit and Risk Assurance Committee was chaired by Duncan McCausland until June 2014 when he took a leave of absence. His term ended on 31st January 2015. Alistair McGowan took over the role as Chair until his term ended on 31st December 2014. Colin Neill and Angeline Fusco were appointed to the Committee on 29 January 2015, and Colin Neill took over the role of Chair from this date.

During the 2014/15, the Audit and Risk Assurance Committee met a total of four times. Details of the attendance of members during the year is shown below.

Audit Member	Meetings Attended	Out of a Possible
Duncan McCausland	1	3
Alistair McGowan	3	3
Katy Best <sup>10</sup>	1	4
Colette Goldrick	4	4
Colin Neill	1	1
Angelina Fusco	1	1

10. Katy Best was on maternity leave for part of the year

Howard Hastings, although not a Member of the Audit and Risk Assurance Committee attended one meeting in 2014/15.

There were regular meetings between the Chair and both the NIAO and head of Internal Audit Service during the year.

The Chair and the Chief Operating Officer did not attend the Departmental Audit and Risk Assurance Committee in 2014/15.

In March 2014, the Committee undertook a self-assessment review based on the National Audit Office Self-Assessment Checklist (Jan 2012). The review covered five principles of Audit Committee membership: independence, objectivity and understanding, skills, scope of work, and communication. The assessment concluded that the Audit and Risk Assurance Committee is effective at supporting the Board. The area identified for further development was the provision of additional training however it was decided to postpone training until all new appointments had been made. These were finalised in February 2015.

## The Tourism NI Audit and Risk Assurance Committee Reports

Matters considered by the Committee included the following:

- NIAO Report to those Charged with Governance 2013/14;
- Review and discussion of the Governance Action Plan;
- Review and discussion of the Quarterly Risk Management reports;
- Approval of the Internal Audit Plan and review of all Internal Audit reports completed during the year, including the Annual Report and Opinion 2013/14;
- Review and discussion of all outstanding Internal Audit Recommendations;
- Audit and Risk Assurance Committee self-assessment;
- Internal Audit and External Quality Assessment Report.

## 2.4 The Senior Management Team

The Senior Management Team includes the Chief Executive, Chief Operating Officer and the five Directors. It meets as follows:

- Quarterly to formally review the operating plan, budget and risk management and for oversight/review of progress on key projects;
- Monthly to formally review the budget, financial performance and to monitor risk and progress on key projects;
- Weekly to discuss ongoing operational issues and to review and approve business cases and funding for projects.

## 2.5 Business Planning

The annual Operational Plan is a key reference tool for setting organisational aims and objectives. It provides the framework to ensure that Tourism NI makes best use of available financial, staff, and technological resources and that budgets are aligned to the plan following a robust budget challenge process. The budget process challenges managers to demonstrate efficiency and value for money in the provision of services to meet the needs of our stakeholders.

Tourism NI's annual operating plan is set in the context of the five-year Corporate Plan and the Programme for Government. The 2014/15 annual plan was approved by the Board, DETI and the Minister. Formal reporting to the Board and DETI is on a quarterly basis against operating plan objectives and budget.

The Board and the SMT regularly review and monitor performance against business objectives and challenge managers at all levels to ensure business targets and objectives are achieved.

## 2.6 Risk Management

Tourism NI aims to manage risk at a reasonable level to achieve its policies, aims and objectives. As Accounting Officer, it is my responsibility to ensure that an appropriate risk management process is in place within the organisation to assist with the decision making process. We do not aim to eliminate all risk,

but we do aim to mitigate and manage risks through risk management strategies and policies.

Risk management is fully incorporated into the corporate planning and decision making processes and Tourism NI has in place a Corporate Risk Register that is reviewed by SMT on a monthly basis. The appropriate action plans are put in place to manage and mitigate risks to ensure objectives and targets are achieved.

The Risk Register is formally updated on a quarterly basis with any new risks identified by the director team and with any new information on existing risks. No new risks were identified during 2014/15. Existing risks were escalated or de-escalated as additional information about each became available. Two risks were removed from the register, one regarding UK City of Culture as the event was successfully delivered and the other regarding the visitor experience as the risk was significantly mitigated.

The register is presented to the Board and Audit and Risk Assurance Committee in order to monitor and review any significant risks to achieving our strategic goals. The Audit and Risk Assurance Committee has responsibility for ensuring an appropriate risk management process is embedded throughout the organisation and that appropriate training is given to support this. Risks are proactively managed at business unit level.

The Tourism NI Risk Register is reported to DETI through their Audit and Risk Assurance Committee.

## 2.7 Annual Assurance Statements

As Accounting Officer, I have to provide annual assurance statements to DETI regarding the system of internal controls. This is supported by regular accountability meetings with senior DETI Officials which monitors organisational progress against plans and targets. This is also supplemented by meeting with the Board Chairman, the Chief Executive, the Chief Operating Officer and DETI officials after every Board meeting.

As part of the assurance process for DETI, I have delegated responsibility to Directors and other senior managers to provide me with mid-year and annual assurance statements in respect of their compliance with corporate governance arrangements, within their respective areas of responsibility.

## 2.8 Data Security

As Accounting Officer, I have overall responsibility for ensuring that information used for operational and reporting purposes is handled appropriately and that risks are assessed and mitigated to an acceptable level. This responsibility is discharged through the Chief Operating Officer, who is the Senior Information Risk Officer (SIRO) who provides focus for the management of information risk at SMT and Board level and has responsibility for the overall information risk policy and for advising the Accounting Officer on the information risk aspects of the governance arrangements. The SIRO is supported in this role by the IT Manager who has day to day responsibility for information management and security; the integrity of electronic information; and contingency and business continuity arrangements. A letter of assurance is provided to DETI on information governance on an annual basis. There have been no data losses during the 2014/15 financial year.

## 2.9 Internal Audit

The internal audit function for Tourism NI is undertaken by Internal Audit Service (IAS), Department of Enterprise, Trade and Investment. Internal audit services are delivered in accordance with Public Sector Internal Audit Standards. The work of IAS is informed by an analysis of the risks to which the Tourism NI is exposed. The annual Audit Plan is based on this risk analysis and is designed to provide regular internal audit reviews and assessment on our systems, processes and procedures.

Of the nine reviews scheduled for 2014/15, two received 'Limited Opinions'. All recommendations were accepted by management and have been or are in the process of being implemented. The reviews resulting in Limited Opinions were on specific activities which do not impact the remainder of

the organisation. One of the Limited Opinions has since been raised to a Satisfactory Opinion.

A review of Procurement was outstanding as at the 2013/14 year end. This was finalised during the 2014/15 year and a Satisfactory Opinion was awarded in September 2014.

Due to issues identified in prior years, Senior Management developed a Governance Action Plan. This plan has been reviewed and discussed at all Board and Audit and Risk Assurance Committee Meetings since its inception. As this plan neared completion, IAS reviewed the progress and concluded that whilst a small number of actions remained ongoing satisfactory progress has been made to implement the actions outlined in the Action Plan.

The Audit and Risk Assurance Committee provides scrutiny and oversight of the internal audit plans and subsequent reports and ensures that 'management responses' to recommendations are implemented. All internal audit recommendations are held centrally and their progress closely monitored and challenged. Annually, IAS provides Tourism NI with a report on their activity. This report includes its independent opinion on the adequacy and effectiveness of the Tourism NI's risk management, control and governance processes.

The overall audit opinion for 2014/15 is "Satisfactory".

## 2.10 External Audit

The external audit of our Statutory Financial Statements is undertaken by the Northern Ireland Audit Office (NIAO), in accordance with the International Standards on Auditing (UK and Ireland). This independent audit opinion provides me with assurances on the financial statements.

The External Audit Strategy for 2014/15 and the report to those charged with governance (RTTCWG) for 2013/14 have been presented to the Audit and Risk Assurance Committee. As Accounting Officer, I can confirm that all recommendations included within the RTTCWG have been accepted and have been implemented or are currently being progressed.

## 2.11 Quality of Data Used By Tourism NI Board

The Tourism NI Board uses information based on a number of data sources. In relation to performance targets, the Board draws assurance from the fact that a number of the data sources used are also utilised for the publication of official or national statistics. Tourism NI also commissioned independent economic appraisals for capital investment decisions and for the evaluation of key activities such as events. Data relating to finance and HR is derived from systems that are subject to regular scrutiny by DETI's Internal Audit Service. Information received by the Board allows the Board to discharge its duties with regard to its assurance needs, its decision making and its accountability obligations. Tourism NI continues to ensure the Board are satisfied with the information they receive and it is constantly evolving.

## 2.12 Ministerial Directions

There were no Ministerial Directions received in 2014/15, however there were two Departmental Directions issued. These were in respect of SS Nomadic and Hamilton Dock, and HMS Caroline. Tourism NI awarded a grant of £60,000 to support development of SS Nomadic and Hamilton Dock as per Departmental Direction issued by DETI.

## 2.13 Financial Management

The organisational financial management arrangements conform to the requirements of Managing Public Money and other directions issued by the Department of Enterprise, Trade and Investment (DETI). The Chief Operating Officer has responsibility at SMT level for the proper management of the organisation's finances. The Chief Operating Officer delegates responsibility for the management of finances to Directors through the allocation of budgets. The Chief Operating Officer is supported in this role by the Finance and Procurement Manager, who is responsible for providing detailed financial procedures, guidance and financial advice for managers, as well as maintaining effective systems of budgetary control and financial reporting.

## 2.14 Fraud Policy

Tourism NI has implemented a range of policies and procedures that are designed to ensure probity, business integrity and minimise the likelihood and impact of incidence of fraud arising. The Chief Operating Officer is responsible for managing the Fraud Policy and the Fraud Response Plan. All reported suspected and actual frauds are fully investigated and robust actions are taken where fraud can be proven.

Tourism NI promotes an anti-fraud culture which requires all staff to act with honesty and integrity at all times and to take appropriate steps to safeguard public assets.

## 3. Governance Issues Arising During the Year

### 3.1 Internal Audit Issues

There were two Priority 1 issues raised by Internal Audit Service in 2014/15. Both issues are related to higher level oversight of procedures. One has been addressed and closed, the other is in the process of being implemented.

### 3.2 Other Governance Issues

- **Fraud** – there were two cases of actual fraud in the year 2014/15 which were the theft of assets from the Dublin office. Both were fully investigated both internally and by the Garda Síochána. It was concluded that the first theft was opportunistic in nature and that recovery of the assets was unlikely. The assets stolen during the second theft were recovered with charges being brought to those accused. Controls around the assets held have been strengthened.
- **EU debtor** – following a review by the managing authority, funding received to support the Tourism Innovation Fund in 2010 – 2012 was deemed to be ineligible. This resulted in the EU funding of £368,307 being withdrawn from the scheme and instead the expenditure was funded by Tourism NI.

## 4. Conclusion

As Accounting Officer, I also have responsibility for reviewing the effectiveness of the governance arrangements. This review is informed by Executive Directors within Tourism NI who have responsibility for the development and maintenance of the governance framework and the work of internal and external auditors and their comments and recommendations. I have advised the Audit and Risk Assurance Committee of my review of the governance arrangements and my plans for continuous improvement of the governance arrangements.

Beyond those specific issues listed in Section 3.1 and 3.2, I can confirm that there have been no other governance issues identified during the year that are considered significant in relation to Tourism NI's overall ability to achieve its corporate aims and objectives and that the governance arrangements, as detailed above, provide assurances of the effectiveness of the systems of corporate governance in place within Tourism NI.

Tourism NI continues to review and strengthen its governance and internal controls arrangements in line with government guidance, audit recommendations and best practice.



**John McGrillen**  
Accounting Officer  
24 September 2015

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

I certify that I have audited the financial statements of the Northern Ireland Tourist Board for the year ended 31 March 2015 under the Tourism (Northern Ireland) Order 1992. These comprise the Statements of Comprehensive Net Expenditure, Financial Position, Cash Flows, Changes in Taxpayers' Equity and the related notes. These financial statements have been prepared under the accounting policies set out within them. I have also audited the information in the Remuneration Report that is described in that report as having been audited.

### Respective Responsibilities of the Board, Chief Executive and Auditor

As explained more fully in the Statement of the Board's and Chief Executive's Responsibilities, the Chief Executive, as Accounting Officer is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. My responsibility is to audit, certify and report on the financial statements in accordance with the Tourism (Northern Ireland) Order 1992. I conducted my audit in accordance with International Standards on Auditing (UK and Ireland). Those standards require me and my staff to comply with the Auditing Practices Board's Ethical Standards for Auditors.

### Scope of the Audit of the Financial Statements

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

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

### Opinion on Regularity

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

### Opinion on Financial Statements

In my opinion:

- The financial statements give a true and fair view of the state of the Northern Ireland Tourist Board's affairs as at 31 March 2015 and of the net expenditure, cash flows and changes in taxpayers' equity for the year then ended; and
- The financial statements have been properly prepared in accordance with the Tourism (Northern Ireland) Order 1992 and the Department of Enterprise, Trade and Investment directions issued thereunder.

### Opinion on Other Matters

In my opinion:

- The part of the Remuneration Report to be audited has been properly prepared in accordance with the Department of Enterprise, Trade and Investment directions made under the Tourism (Northern Ireland) Order 1992; and
- The information given in the Chief Executive's Message, the Strategic Report and Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

### Matters on which I Report by Exception

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

- Adequate accounting records have not been kept; or
- The financial statements and the part of the Remuneration Report to be audited are not in agreement with the accounting records; or
- I have not received all of the information and explanations I require for my audit; or
- The Governance Statement does not reflect compliance with Department of Finance and Personnel's guidance.

### Report

I have no observations to make on these financial statements.



KJ Donnelly  
Comptroller and Auditor General  
Northern Ireland Audit Office  
106 University Street  
Belfast  
BT7 1EU

30 September 2015

# Statement of Comprehensive Net Expenditure

for the year ended 31 March 2015

EXPENDITURE	Note	2014/15 £	2013/14 £
Staff Costs	3	(5,954,843)	(6,072,860)
Other Expenditure	4	(14,323,805)	(14,594,429)
Depreciation	8	(600,932)	(368,225)
Amortisation	9	(45,794)	(26,604)
Selective Financial Assistance – Grants	5	(9,306,226)	(3,315,628)
Titanic Foundation Limited		-	(3,847)
Notional Costs		(84,502)	(85,107)
Tourism Ireland Ltd – Request for Resources A	6	(14,096,534)	(14,635,000)
		<b>(44,412,636)</b>	<b>(39,101,700)</b>
<b>INCOME</b>			
EU Income		4,931,235	2,571,282
Other Operating Income	7	273,707	370,966
GCVF EU Income		-	-
Tourism Ireland Ltd – Request for Resources A	6	14,096,534	14,635,000
		<b>19,301,476</b>	<b>17,577,248</b>
<b>Net Expenditure</b>		<b>(25,111,160)</b>	<b>(21,524,452)</b>
Interest Receivable		7,925	8,211
Pension Interest Income/(charge)		(186,000)	(193,000)
Corporation Tax		(1,585)	(1,640)
Credit in Respect of Notional Charges		84,502	85,107
<b>Net Expenditure After Interest and Tax</b>		<b>(25,206,318)</b>	<b>(21,625,774)</b>

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

# Other Comprehensive Net Expenditure

for the year ended 31 March 2015

EXPENDITURE	Note	2014/15 £	2013/14 £
<b>Items that will not be reclassified to net operating costs:</b>			
Pension Actuarial gain / (loss)		(935,000)	223,000
Net Gain / (Loss) on Revaluation of PPE		13,492	(25,482)
<b>Total Comprehensive Expenditure for the year ended 31 March 2015</b>		<b>(26,127,826)</b>	<b>(21,428,256)</b>

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



# Statement of Financial Position

as at 31 March 2015

	Note	2014/15 £	2013/14 £
<b>NON-CURRENT ASSETS</b>			
Property, Plant and Equipment	8	1,077,671	1,167,400
Intangible Assets	9	49,307	33,519
<b>TOTAL NON-CURRENT ASSETS</b>		<b>1,126,978</b>	<b>1,200,919</b>
<b>CURRENT ASSETS</b>			
Trade and Other Receivables	11	1,457,437	6,158,356
Cash and Cash Equivalents	12	3,093,679	639,996
<b>TOTAL CURRENT ASSETS</b>		<b>4,551,116</b>	<b>6,798,352</b>
<b>TOTAL ASSETS</b>		<b>5,678,094</b>	<b>7,999,271</b>
<b>CURRENT LIABILITIES</b>			
Trade Payables and Other Current Liabilities	13	(9,284,839)	(11,499,191)
<b>TOTAL CURRENT LIABILITIES</b>		<b>(9,284,839)</b>	<b>(11,499,191)</b>
<b>NON-CURRENT ASSETS PLUS NET CURRENT LIABILITIES</b>		<b>(3,606,745)</b>	<b>(3,499,920)</b>
<b>NON-CURRENT LIABILITIES</b>			
Provisions	14	-	-
Pension Liabilities	15	(5,951,000)	(4,730,000)
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>(5,951,000)</b>	<b>(4,730,000)</b>
<b>TOTAL ASSETS LESS LIABILITIES</b>		<b>(9,557,745)</b>	<b>(8,229,920)</b>
<b>TAXPAYERS' EQUITY</b>			
General Reserve		(9,809,316)	(8,467,998)
Revaluation Reserve		251,571	238,078
		<b>(9,557,745)</b>	<b>(8,229,920)</b>

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

The financial statements on pages 42 to 46 were approved by the Board on 24 September 2015 and were signed on its behalf by:

Chairman 

Date: 24 September 2015

Chief Executive 

Date: 24 September 2015

# Statement of Cash Flows

for the year ended 31 March 2015

	Note	2014/15 £	2013/14 £
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Net Deficit After Interest and Tax		(25,206,318)	(21,625,774)
<b>ADJUSTMENTS FOR NON CASH TRANSACTIONS:</b>			
Amortisation	9	45,794	26,604
Depreciation	8	600,932	368,225
Pension Interest Charge		186,000	193,000
Non Cash Actuarial Pension Charges		100,000	66,000
(Increase)/Decrease in Trade and Other Receivables	11	4,700,920	(1,123,703)
Increase/(Decrease) in Trade Payables	13	(2,489,523)	(2,114,281)
Use of Provisions Increase/(Decrease)	14	-	(170,000)
<b>NET CASH OUTFLOW FROM OPERATING ACTIVITIES</b>		<b>(22,062,195)</b>	<b>(24,379,929)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Purchase of Intangible Assets	9	(61,582)	-
Purchase of Property, Plant and Equipment	8	(222,540)	(511,241)
<b>NET CASH OUTFLOW FROM INVESTING ACTIVITIES</b>		<b>(284,122)</b>	<b>(511,241)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Government Grant from Sponsoring Department		24,800,000	21,982,000
<b>NET FINANCING</b>		<b>24,800,000</b>	<b>21,982,000</b>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS IN THE YEAR</b>	<b>12</b>	<b>2,453,683</b>	<b>(2,909,170)</b>
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR</b>	<b>12</b>	<b>639,996</b>	<b>3,549,166</b>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR</b>	<b>12</b>	<b>3,093,679</b>	<b>639,996</b>

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

# Statement of Changes in Taxpayers' Equity

for the year ended 31 March 2015

	Note	General Reserve £	Revaluation Reserve £	Total Reserves £
<b>BALANCE AT 31 MARCH 2013</b>		(9,047,224)	263,560	(8,783,664)
<b>RESTATED CHANGES IN TAXPAYER'S EQUITY 2013/14</b>				
Net Gain on Revaluation of Property, Plant and Equipment		-	(25,482)	(25,482)
Actuarial Gain/(Loss)		223,000	-	223,000
Comprehensive Expenditure for the Year		(21,625,774)	-	(21,625,774)
<b>TOTAL RECOGNISED INCOME AND EXPENSE FOR 2013/14</b>		<b>(21,402,774)</b>	<b>(25,482)</b>	<b>(21,428,256)</b>
<b>Grant in Aid from DETI</b>		<b>21,982,000</b>	<b>-</b>	<b>21,982,000</b>
<b>BALANCE AT 31 MARCH 2014</b>		<b>(8,467,998)</b>	<b>238,078</b>	<b>(8,229,920)</b>
<b>CHANGES IN TAXPAYER'S EQUITY 2014/15</b>				
Net Gain on Revaluation of Property, Plant and Equipment		-	13,493	13,493
Actuarial Gain/(Loss)		(935,000)	-	(935,000)
Comprehensive Expenditure for the Year		(25,206,318)	-	(25,206,318)
<b>TOTAL RECOGNISED INCOME AND EXPENSE FOR 2014/15</b>		<b>(26,141,318)</b>	<b>13,493</b>	<b>(26,127,825)</b>
<b>Grant in Aid from DETI</b>		<b>24,800,000</b>	<b>-</b>	<b>24,800,000</b>
<b>BALANCE AT 31 MARCH 2015</b>		<b>(9,809,316)</b>	<b>251,571</b>	<b>(9,557,745)</b>

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

# Notes to the Accounts

for the year ended 31 March 2015

## 1. Statement of Accounting Policies

### Basis of Preparation

These financial statements have been prepared in accordance with the 2014/15 Government Financial Reporting Manual (FRM) issued by the Department of Finance and Personnel. The accounting policies contained in the FRM apply International Financial Reporting Standards (IFRS) as adapted or interpreted for the public sector context. Where the FRM permits a choice of accounting policy, the accounting policy which is judged to be most appropriate to the particular circumstances of Tourism NI for the purpose of giving a true and fair view has been selected. The particular policies adopted by Tourism NI are described below. They have been applied consistently in dealing with the items that are considered material to the accounts.

### Accounting Convention

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

### Financing

The Department of Enterprise, Trade and Investment (DETI) is the parent department of Tourism NI. DETI provides Tourism NI with its grant-in-aid during the year to enable Tourism NI to discharge its duties, powers and functions under the agreed operating plan and budget. Grant-in-aid is credited to reserves.

### Income from Activities

Income from activities represents the invoiced amount of goods sold or services provided (net of VAT) and includes fees collected from statutory inspection activities, non - statutory star grading of accommodation, the sale of WorldHost training materials and income attributable to the promotion and exhibiting at trade events.

## Property, Plant and Equipment, Intangible Assets, Depreciation and Amortisation

- (i) Property, plant and equipment and intangible asset additions are fully funded by the Department of Enterprise, Trade and Investment.
- (ii) All property, plant and equipment have been valued on net current replacement costs as a proxy guide to fair value with the exception of paintings, which have been valued by John Ross & Co., Auctioneers & Valuers.

Indices supplied by the Office for National Statistics are used to calculate the net current replacement cost.

The minimum levels of capitalisation of all categories of property, plant and equipment is £1,000.

- (iii) Intangible fixed assets – computer licenses for internal recording and reporting systems are capitalised as intangible assets. The minimum level of capitalisation of an intangible asset is £1,000.

They are amortised over a period of three to five years on a straight line basis.

- (iv) Depreciation and amortisation is provided on property, plant and equipment and intangible assets at rates calculated to write off the cost of each asset evenly over its expected useful life as follows:

**Furniture and Equipment** 10 years

**Motor Vehicles** 4 years

**Leasehold Fixtures and Fittings** Over the lease term

**Computer Equipment** 3 to 5 years

**Computer Software** Over the licence period

- (v) All works of art held by Tourism NI are included in the Statement of Financial Position – 12 paintings and one print. The paintings have been composed by Irish artists of the 19th and 20th century and depict scenes of Northern Ireland. All works of art are regularly valued but not depreciated.

- (vi) Tourism NI assesses at each year end date whether there is any objective evidence that a financial asset or group of financial assets classified as available-for-sale or loans and receivables is impaired. Generally a full year of depreciation is provided on assets in the year of their purchase unless it is deemed prudent not to do so.

### Prepayments

The de-minimus threshold for any prepayments is set at £500.

### Provisions

Tourism NI makes provisions for liabilities and charges where, at the year-end date, a legal or constructive liability exists (that is a present obligation from past events exists), where the transfer of economic benefits is probable and a reasonable estimate can be made.

### EU Income

All EU receipts relating to core expenditure are treated as accruing resources in support of expenditure incurred, that is budgeted receipts or income surrenderable but retained.

### Contingent Liabilities

The amounts recognised by Tourism NI as a provision are the best estimate of expenditure required to settle the present obligation at the Statement of Financial Position date. In reaching the best estimate, Tourism NI have taken into account the risks and uncertainties that surround the underlying events.

### Accounting Estimates

The use of reasonable estimates is an essential part of the preparation of financial statements and does not undermine their reliability. Changes in accounting estimates result from new information or new developments and, accordingly, are not corrections of errors. The effect of a change in an accounting estimate, shall be recognised by including it in Net Expenditure Account in:

- a) The period of the change, if the change affects that period; or
- b) The period of the change and future periods, if the change affects both.

### Leased Assets

Operating lease payments are charged to the Net Expenditure Account on a straight-line basis over the term of the lease.

### Pension Costs

Past and present employees in Northern Ireland are covered by the provisions of the NILGOSC. In the year 2014/15, Tourism NI contributed 20% of pensionable pay to the scheme, whilst staff contributed between 5.5% and 7.5% of pensionable pay.

For those staff employed in the Republic of Ireland from 1 January 2007, a Trust Based Defined Contribution Scheme has been available for staff to join. The contributions are managed by Eagle Star and the advisers to the scheme are Watson Wyatt (Ireland) Limited. Tourism NI contributed 16% of Salary during the year whilst the staff members will continue to contribute 6%.

### Foreign Currencies

Assets and liabilities denominated in foreign currencies have been translated into sterling values at the rate of exchange ruling at the date of the Statement of Financial Position. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All exchange differences are taken to the Net Expenditure Account.

### Irrecoverable Value Added Tax

Tourism NI is subject to a very limited recovery of VAT on inputs calculated in accordance with a formula agreed with HM Revenue & Customs. Expenditure is charged in the accounts inclusive of VAT. The VAT recoverable is credited to other operating charges.

### Selective Financial Assistance Scheme

Under the scheme, the Board is able to provide selective financial assistance in the form of grants, loans or investments in tourism-related projects. Grants paid and payable on expenditure incurred in the year by grant recipients are charged to the Net Expenditure account under the heading Selective Financial Assistance – Grants.

### Financial Instruments

Financial assets and liabilities are recognised in Tourism NI's Statement of Financial Position when Tourism NI becomes a party to the contractual provision of the instrument.

### Financial Assets

Financial assets are classified into the following specified categories: at "fair value through profit or loss" (FVTPL); held-to-maturity investments, "available-for-sale" (AFS) financial assets and "loans and receivables". The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. Tourism NI's financial assets comprise trade and other receivables and cash and cash equivalents, and are classified as loans and receivables and are held at cost, which approximates to fair value because of their short maturities.

### Financial Liabilities

Financial liabilities of Tourism NI, including trade and other payables, are measured at cost which approximates to fair value because of their short maturities.

### Notional Costs

In order to disclose the full cost of activities, notional costs for the provision of the services received from Internal Audit Services of DETI are included. The 2014/15 notional charge was £84,502 (2013/14 £85,107).

### Adoption of New and Revised Standards

Management has reviewed new accounting standards that have been issued but are not yet effective, nor adopted early for these accounts. Management consider that these are unlikely to have a significant impact on the accounts in the period of initial application.

## 2. Statement of Operating Costs by Operating Segment

2014/15	Gross Expenditure £	Income £	Net Expenditure £
Business Support and Events	6,991,933	273,707	6,718,226
Product Development	11,430,752	3,155,496	8,275,256
Organisational Development	3,210,158	162,925	3,047,233
Corporate Development	1,671,360	-	1,671,360
Marketing	7,114,982	1,620,739	5,494,243
<b>TOTAL</b>	<b>30,419,185</b>	<b>5,212,867</b>	<b>25,206,318</b>

2013/14	Gross Expenditure £	Income £	Net Expenditure £
Business Support and Events	4,520,113	370,458	4,149,655
Product Development	5,742,137	-	5,742,137
Organisational Development	2,972,233	73,507	2,898,726
Corporate Development	1,825,900	-	1,825,900
Marketing	9,507,638	2,498,282	7,009,356
<b>TOTAL</b>	<b>24,568,021</b>	<b>2,942,247</b>	<b>21,625,774</b>

**Business Support and Events Division** comprises of the following Units – Industry Development, Events and Quality and Standards. The Director of the Division reports to the Chief Executive.

**Product Development Division** comprises of the following Units – Armagh, Banbridge & Craigavon; Newry, Mourne & Down; North Down & Ards, Derry~Londonderry & Strabane; Fermanagh & Omagh; Lisburn & Castlereagh; Belfast, Mid Ulster; Causeway Coast & Glens; Mid & East Antrim, Antrim & Newtownabbey, Markets and Product Experiences Development and the Funding Team. The Director of the Division reports to the Chief Executive.

**Organisational Development Division** comprises of the following Units – HR and Central Services and Computer Services. The Director of the Division reports to the Chief Operating Officer. Finance Unit costs are included in this segment with the Manager of the Unit reporting directly to the Chief Operating Officer. SMT and Board Member costs are also included in this Division.

**Corporate Development Division** comprises of the following Units – Corporate Communications, Research and Evaluation, Business Planning and Improvements and Policy & Insights. The Director of the Division reports to the Chief Operating Officer.

**Marketing Division** comprises of the following Units – Visitor Information, Business To Business, Destination Marketing and PR, Republic of Ireland, Social & Digital Media and Golf Sales and Marketing. The Director of the Division reports to the Chief Executive.

## 3. Staff and Pension Costs

a) Staff costs comprise:

		2014/15 £	2013/14 £
Wages and Salaries	Permanent	4,582,480	4,349,011
	Others	248,536	544,051
Social Security Costs	Permanent	333,427	336,990
	Others	15,146	37,233
Pension Contributions	NILGOSC Scheme	764,107	793,366
	Eagle Star	11,147	12,209
<b>Staff Costs Charged to Net Expenditure Account</b>		<b>5,954,843</b>	<b>6,072,860</b>

b) Average number of persons employed:

	2014/15 No		2013/14 No	
	Permanent	Other	Permanent	Other
Business Support and Events	28	2	28	3
Product Development	27	5	29	4
Corporate Development	18	0	20	2
Senior Management Team and Board	17	1	20	1
Organisational Development	15	4	16	4
Marketing	40	2	35	4
	<b>145</b>	<b>14</b>	<b>148</b>	<b>18</b>

c) Pensions:

Pension benefits are provided through the Northern Ireland Local Government Officers' Superannuation Scheme (NILGOSC). This scheme is a defined benefits fund and is invested in suitable investments, managed by the Committee. The latest full actuarial valuation of the scheme was at 31 March 2013.

For both 2014/15 and 2013/14, the contribution rates were 20% for the employer and between 5.5% and 7.5% for the employee.

The total employer contribution paid under the scheme in 2014/15 was £764,107 (2013/14 - £727,422).

The total employer contribution made for the Defined Contribution Scheme provided by Eagle Star for ROI employees in 2014/15 was £11,147 (2013/14 - £12,209).

d) Compensation and Exit Packages for all Staff 2014/15:

There were no compensation scheme exit packages in 2014/15 (2013/14 – nil).

During 2014/15 one member of staff was granted ill-health retirement (2013/14 – nil).

## 4. Other Expenditure

	2014/15 £	2013/14 £
Premises Costs	258,882	336,828
Operating Leases	312,000	312,000
Travel and Subsistence		
- Board Members	8,777	14,651
- Other Employees	118,261	136,570
Printing and Stationery	8,976	11,689
Legal Fees	31,276	(62,065)
Redundancy Costs	-	(6,495)
Professional Fees	153,774	121,103
Auditors Remuneration - Audit	35,005	32,500
Catering and General Office Expenses	197,278	224,477
Exchange Rate (Gain/Loss)	54,862	7,545
Staff Development (Training and Recruitment)	124,442	82,903
Publications	164,688	221,034
Press and Public Relations	229,646	334,244
Hospitality	14,823	19,692
Marketing, Advertising and Promotions	7,578,802	10,037,465
Events	4,757,410	2,518,689
Information Services	274,855	252,460
Bad Debt Written Off	48	(861)
Non Cash Items: Loss on disposal	-	-
<b>Total Other Expenditure</b>	<b>14,323,805</b>	<b>14,594,429</b>

During the year Tourism NI purchased the following non-audit services from the Northern Ireland Audit Office - National Fraud Initiative £1,232 (2013/14 - £nil).

## 5. Selective Financial Assistance

	2014/15 £	2013/14 £
Tourism Development Scheme – General	9,132,017	2,761,824
Signature Projects	141,698	167,891
Events	-	-
Other	32,511	385,913
<b>Total</b>	<b>9,306,226</b>	<b>3,315,628</b>

£3,448,870 of grant expenditure has been part funded by EU under the European Regional Development Fund (2013/14 - £1,461,307).

## 6. Grants

### 6.1 Grants from European Union

Support for Tourism NI from Europe comes from the European Sustainable Competitiveness Programme 2007–2013 – Priority 2 Sustainable Competitiveness and Innovation.

### European Regional Development Funds

In addition to the activities reported in these accounts, during the year Tourism NI was responsible for the administration of grant aid falling under certain measures of the European Regional Development Fund (ERDF). The extent of this administration did not extend to the physical control and disbursement of the funds, which role was reserved to DETI. The funding from these measures is made available in agreed “budgets” for drawdown over fixed terms normally in excess of one year.

### 6.2 Grant from the Department of Enterprise, Trade and Investment

Tourism NI as a Non Departmental Public Body has in the year 2014/15 credited the Grants and grants-in-aid for revenue purposes as contributions from controlling parties as giving rise to a financial interest in the residual interest of Tourism NI and hence has accounted for them as financing. As a result of this treatment the General Reserve has been credited and not the Statement of Comprehensive Net Expenditure.

During the year, Tourism NI received grants from DETI, on behalf of Tourism Ireland Limited to £14,096,534 (2013/14 - £14,635,000). These amounts were remitted to Tourism Ireland Limited before the year end.

## 7. Other Operating Income

	2014/15 £	2013/14 £
Statutory Certification Fees and Grading	153,059	159,962
WorldHost, Promotions and Exhibitions	120,648	210,496
TIDInet	-	508
<b>Other Income</b>	<b>273,707</b>	<b>370,966</b>

## 8. Property, Plant and Equipment

	Leasehold Improvements £	Furniture and Equipment £	Motor Vehicles £	Computers £	Paintings £	Total £
<b>COST OR VALUATION</b>						
At 1 April 2014	541,361	262,562	12,835	1,505,358	219,700	2,541,816
Additions at Cost	-	-	-	497,710	-	497,710
Indexation	21,344	230	-	9,645	-	31,219
Disposals / Write-off	-	-	-	(56,463)	-	(56,463)
<b>At 31 March 2015</b>	<b>562,705</b>	<b>262,792</b>	<b>12,835</b>	<b>1,956,250</b>	<b>219,700</b>	<b>3,014,282</b>
<b>DEPRECIATION</b>						
At 1 April 2014	276,321	256,744	12,835	828,516	-	1,374,416
Charge for Period	94,100	4,836	-	501,996	-	600,932
Indexation	13,270	224	-	4,232	-	17,726
Disposals	-	-	-	(56,463)	-	(56,463)
<b>At 31 March 2015</b>	<b>383,691</b>	<b>261,804</b>	<b>12,835</b>	<b>1,278,281</b>	<b>-</b>	<b>1,936,611</b>
<b>Net Book Value At 31 March 2015</b>	<b>179,014</b>	<b>988</b>	<b>-</b>	<b>677,969</b>	<b>219,700</b>	<b>1,077,671</b>
<b>Net Book Value At 31 March 2014</b>	<b>265,040</b>	<b>5,818</b>	<b>-</b>	<b>676,842</b>	<b>219,700</b>	<b>1,167,400</b>

**Note:** All Tourism NI plant, property and equipment assets are owned.

	Leasehold Improvements £	Furniture and Equipment £	Motor Vehicles £	Computers £	Paintings £	Total £
<b>COST OR VALUATION</b>						
At 1 April 2013	550,577	273,877	12,835	875,826	219,700	1,932,815
Additions at Cost	-	-	-	745,300	-	745,300
Indexation	(9,216)	(11,315)	-	(27,529)	-	(48,060)
Disposals / Write-off	-	-	-	(88,239)	-	(88,239)
<b>At 31 March 2014</b>	<b>541,361</b>	<b>262,562</b>	<b>12,835</b>	<b>1,505,358</b>	<b>219,700</b>	<b>2,541,816</b>
<b>DEPRECIATION</b>						
At 1 April 2013	186,626	247,039	12,835	670,508	-	1,117,008
Charge for Period	91,100	19,468	-	257,657	-	368,225
Indexation	(1,405)	(9,763)	-	(11,410)	-	(22,578)
Disposals	-	-	-	(88,239)	-	(88,239)
<b>At 31 March 2014</b>	<b>276,321</b>	<b>256,744</b>	<b>12,835</b>	<b>828,516</b>	<b>-</b>	<b>1,374,416</b>
<b>Net Book Value At 31 March 2014</b>	<b>265,040</b>	<b>5,818</b>	<b>-</b>	<b>676,842</b>	<b>219,700</b>	<b>1,167,400</b>
<b>Net Book Value At 31 March 2013</b>	<b>363,951</b>	<b>26,838</b>	<b>-</b>	<b>205,318</b>	<b>219,700</b>	<b>815,807</b>

**Note:** All Tourism NI plant, property and equipment assets are owned.

## 9. Intangible Fixed Assets

Intangible assets comprise software licences.

	£
<b>Cost or Valuation</b>	
At 1 April 2014	209,757
Acquisitions	61,582
Disposals	-
Transfers	-
Write Off	-
<b>At 31 March 2015</b>	<b>271,339</b>
<b>Amortisation</b>	
At 1 April 2014	176,238
Charge For Period	45,794
Disposals	-
Transfers	-
Write Off	-
<b>At 31 March 2015</b>	<b>222,032</b>
<b>NBV at 31 March 2015</b>	<b>49,307</b>

**Note:** All Tourism NI intangible assets are owned.

	£
<b>Cost or Valuation</b>	
At 1 April 2013	209,757
Acquisitions	-
Disposals	-
Transfers	-
Write Off	-
<b>At 31 March 2014</b>	<b>209,757</b>
<b>Amortisation</b>	
At 1 April 2013	149,634
Charged in the Year	26,604
Disposals	-
Transfers	-
Write Off	-
<b>At 31 March 2014</b>	<b>176,238</b>
<b>NBV at 31 March 2014</b>	<b>33,519</b>
<b>NBV at 31 March 2013</b>	<b>60,123</b>

## 10. Financial Instruments

As the cash requirements of Tourism NI are met through grant-in-aid provided by DETI, financial instruments play a more limited role in creating and managing risk than would apply to a non-public sector body. The majority of financial instruments relate to contracts to buy non-financial items in line with Tourism NI's expected purchase and usage requirements and Tourism NI is therefore exposed to little credit, liquidity or market risk.

## 11. Trade and Other Receivables

	2014/15 £	2013/14 £
<b>Amounts Falling Due Within One Year:</b>		
Trade Receivables	13,166	20,141
Less: Provision for Doubtful Debts	-	-
	<b>13,166</b>	<b>20,141</b>
QA Receivables	2,920	8,310
Less: Provision for Doubtful Debts	-	-
	<b>2,920</b>	<b>8,310</b>
EU Receivables	1,288,886	5,968,435
Sundry Debtors	1,385	695
Prepayments	151,080	151,788
VAT Receivable	-	8,646
Other Receivables	-	341
	<b>1,441,351</b>	<b>6,129,905</b>
	<b>1,457,437</b>	<b>6,158,356</b>

### Inter-Government Balances: Amounts Falling Due Within One Year:

	2014/15 £	2013/14 £
Balances with Other Central Government Bodies	47,278	10,812
Balances with Local Authorities	1,500	330
Balances with NHS Bodies	-	-
Balances with Public Corporations and Trading Funds	-	-
Subtotal: Intra-government Balances	48,778	11,142
Balances with Bodies External to Government	1,408,659	6,147,214
<b>Total Receivables At 31 March</b>	<b>1,457,437</b>	<b>6,158,356</b>

## 12. Cash and Cash Equivalents

	2014/15 £	2013/14 £
Balance at 1 April 2014	639,996	3,549,166
Net Change in Cash and Cash Equivalents Balance	2,453,683	(2,909,170)
<b>Balance at 31 March 2015</b>	<b>3,093,679</b>	<b>639,996</b>

The following balances at 31 March were held at:

	2014/15 £	2013/14 £
Commercial Banks and Cash in Hand	3,093,679	639,996
<b>Balance at 31 March 2015</b>	<b>3,093,679</b>	<b>639,996</b>

## 13. Trade Payables and other Current Liabilities

Amounts Falling Due Within One Year	2014/15 £	2013/14 £
Corporation Tax	1,585	1,640
Trade Payables	293,357	2,409,514
VAT Payable	4,820	-
TDS, Signature Projects and IDF W-I-P and Retentions	-	5,947,983
Accruals	8,922,557	3,126,576
Deferred Income	52,534	13,478
Other Creditors	9,986	-
	<b>9,284,839</b>	<b>11,499,191</b>

Inter-Government Balances:  
Amounts Falling Due Within One Year:

Balances with Other Central Government Bodies	508,844	1,025,026
Balances with Local Authorities	6,483,271	4,407,207
Balances with NHS Bodies	-	-
Balances with Public Corporations and Trading Funds	-	-
Subtotal: Intra-government Balances	6,992,115	5,432,233
Balances with Bodies External to Government	2,292,724	6,066,958
<b>Total Payables at 31 March</b>	<b>9,284,839</b>	<b>11,499,191</b>

## 14. Provisions for Liabilities and Charges

2014/15	Legal £
Balance at 1 April 2014	-
Provision Provided in Year	-
Provision Utilised in Year	-
Provision Not Required Written Back	-
<b>Balance at 31 March 2015</b>	<b>-</b>

2013/14	Legal £
Balance at 1 April 2013	170,000
Provision Provided in Year	-
Provision Utilised in Year	-
Provision Not Required Written Back	(170,000)
<b>Balance at 31 March 2014</b>	<b>-</b>

The legal provision in 2013/14 was in relation to fees that were potentially due in respect of an ongoing legal matter. The matter was resolved prior to certification with final legal fees being due of £59,006 therefore the provision has been written back and replaced by a creditor of £59,006, which has subsequently been settled.

## 15. Pension Commitments

### a) NILGOSC Pension Scheme

Tourism NI participates in the Northern Ireland Local Government Officer's Superannuation Committee Scheme (the NILGOSC scheme) for the majority of its employees. Pension benefits are provided through the NILGOSC scheme, which is a statutory scheme that benefits on a final salary basis at a normal retirement age of 65.

Prior to 1 April 2009 benefits accrued at the rate of 1/80<sup>th</sup> of pensionable salary for each year of service. In addition a lump sum equivalent to 3/80<sup>th</sup> of pensionable salary for each year of service, prior to 1 April 2009, is payable on retirement. From 1 April 2009 the scheme changed and benefits from this date accrue at the rate of 1/60<sup>th</sup> of pensionable pay for each year of service.

As part of a general review of public sector pension schemes from 1 April 2009, the government has introduced changes to the contribution rates. Instead of most people paying a standard contribution rate of 6% of their pensionable pay, there are now different contribution rates for different pay bands. The scheme's professionally qualified actuaries recommended the rates for administrative employees between 5.5% and 7.5% of pensionable pay.

Under IAS 19 Tourism NI is required to account for their share of assets and liabilities in the scheme. Added years discretionary benefits awarded to former employees who retired early are also accounted for as a defined benefit scheme, as in accordance with IAS 19. This liability represents the actuarial liability of future costs to NILGOSC in respect of past employees who retired early. Given projected lifespans this liability will be payable over a number of years.

The latest formal actuarial valuation of the fund was carried out as at 31 March 2013. In calculating the Tourism NI's assets and liabilities the fund's actuaries have rolled forward and updated the values calculated at the latest valuation (March 2015). The fund's actuaries had to make a number of assumptions about events and circumstances in the future meaning that the results of actuarial calculations are subject to uncertainties within a range of possible values.



## b) Actuarial Assumptions

The following actuarial assumptions were accepted on the recommendation of the actuary:

As at 31 March Actuarial Assumptions Used	31 March 2015	31 March 2014	31 March 2013	31 March 2012	31 March 2011
Rate of Increase in Pensions	1.8%	2.4%	2.8%	2.5%	2.8%
Rate of Increase in Salaries	3.3%	3.9%	5.2%	4.8%	5.1%
Discount Rate	3.2%	4.3%	4.5%	4.8%	5.5%
RPI Inflation	2.9%	3.4%	3.7%	3.3%	-
CPI Inflation	1.8%	2.4%	2.8%	2.5%	-

## Mortality Assumptions

Actuarial Assumptions for Average Future Life Expectancy at the Age of 65	Males 31 March 2015	Males 31 March 2014	Females 31 March 2015	Females 31 March 2014
Current Lifetime (aged 65 at accounting date)	22.2 years	22.1 years	24.7 years	24.6 years
Future Lifetime (aged 45 at accounting date)	24.4 years	24.3 years	27.0 years	26.9 years

## Sensitivity Analysis

IAS 19 valuation results depend critically on the principal assumptions used in the calculations. The discount rate used to value the liabilities is prescribed under IAS 19 and the results are particularly sensitive to the discount rate. A reduction in the net discount rate will increase the liabilities as a higher value is placed on benefits in the future.

Regarding mortality assumptions, if longevity improves at a faster rate than allowed for in the assumptions then, a higher

value would be placed on the employer's liabilities. Further increases in pensionable pay, inflation and hence pension, more than allowed for in the assumptions, will increase the value of the liabilities.

The approximate impact of changing the key assumptions on the present value of the funded defined benefit obligation as at 31 March 2015 and the projected service cost for the year ended 31 March 2016 is set out below.

## Funded LGPS benefits

### Discount Rate Assumption

Adjustment to Discount Rate	+0.1% p.a.	-0.1% p.a.
Present Value of Total Obligation (£Millions)	27.407	28.533
% Change in Present Value of Total Obligation	-2.0%	2.0%
Projected Service Cost (£Millions)	0.898	0.962
Approximate % Change in Projected Service Cost	-3.4%	3.5%

### Rate of General Increase in Salaries

Adjustment to Salary Increase Rate	+0.1% p.a.	-0.1% p.a.
Present Value of Total Obligation (£Millions)	28.161	27.770
% Change in Present Value of Total Obligation	0.7%	-0.7%
Projected Service Cost (£Millions)	0.930	0.930
Approximate % Change in Projected Service Cost	0.0%	0.0%

### Rate of Increase to Pensions in Payment and Deferred Pensions Assumption

Adjustment to Pension Increase Rate	+0.1% p.a.	-0.1% p.a.
Present Value of Total Obligation (£Millions)	28.374	27.560
% Change in Present Value of Total Obligation	1.5%	-1.4%
Projected Service Cost (£Millions)	0.962	0.898
Approximate % Change in Projected Service Cost	3.5%	-3.4%

### Post Retirement Mortality Assumption

Adjustment to Mortality Age Rating Assumption*	-1 year	+1 year
Present Value of Total Obligation (£Millions)	28.718	27.210
% Change in Present Value of Total Obligation	2.7%	-2.7%
Projected Service Cost (£Millions)	0.963	0.897
Approximate % Change in Projected Service Cost	3.5%	-3.5%

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

### c) Asset Valuations

The fair value of the assets held by the pension scheme attributable to the Tourism NI are analysed as follows:

Assets	Assets at 31 March 2015	Assets at 31 March 2014
	£'000	£'000
Equities	16,617	14,731
Government Bonds	1,298	1,171
Corporate Bonds	1,480	1,211
Property	2,868	2,224
Cash	455	516
Other *	46	-
<b>Total</b>	<b>22,764</b>	<b>19,853</b>

Employers who report under IAS 19 are no longer required to recognise an expected return on assets therefore assumptions are no longer disclosed.

\* Other may include hedge funds, currency holdings, asset allocation futures and other financial instruments.

### Statement of Financial Position

The following amounts at 31 March 2015, 2014, 2013, 2012 and 2011 were measured in accordance with the requirements of IAS 19:

	31 March 2015	31 March 2014	Restated 31 March 2013	31 March 2012	31 March 2011
	£'000	£'000	£'000	£'000	£'000
Fair Value of Scheme Assets	22,764	19,853	19,415	16,313	15,926
Present Value of Defined Benefit Obligations	(28,715)	(24,583)	(24,109)	(20,390)	(18,419)
<b>Net Pension liability</b>	<b>(5,951)</b>	<b>(4,730)</b>	<b>(4,694)</b>	<b>(4,077)</b>	<b>(2,493)</b>

### d) Amounts Charged to Expenditure

Analysis of Amount Charged to Net Expenditure Statement in Respect of Defined Benefit Scheme:	2014/15 £'000	2013/14 £'000
Current Service Cost	900	853
Curtailments and Settlements	-	-
Past Service Cost	43	27
Employer Contributions	(782)	(756)
Contributions in Respect of Unfunded Benefits	(61)	(58)
	<b>100</b>	<b>66</b>

#### Analysis of Amounts Charged to Other Finance Costs:

Interest on Net Defined Benefit Liability/(Asset) (Funded)	(155)	(154)
Interest on Net Defined Benefit Liability/(Asset) (Unfunded)	(31)	(39)
	<b>(186)</b>	<b>(193)</b>

#### Analysis of Amounts in the Statement of Taxpayers' Equity:

Actuarial Gains/(Losses)	(935)	223
	<b>(935)</b>	<b>223</b>

#### Movement in Deficit During the Year:

Deficit in Scheme at the Beginning of the Year	(4,730)	(4,694)
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#### Movement in the Year:

Current Service Cost	(900)	(853)
Employer Contributions	782	756
Contributions in Respect of Unfunded Benefits	61	58
Past Service Cost	(43)	(27)
Net Return on Assets	(186)	(193)
Actuarial Gain/(Losses)	(935)	223
<b>Deficit in Scheme at the End of the Year</b>	<b>(5,951)</b>	<b>(4,730)</b>

### e) Employers Contribution Rates

The liabilities show the underlying commitment that Tourism NI has in the long term to pay retirement benefits. The total pension liability is £28.7 million (2013/14 – £24.6 million) and results in a net overall deficit balance of £5.95 million (2013/14 £4.73 million) which is recorded on the statement of Financial Position.

The deficit on the NILGOSC scheme will be funded over a period of many years through increased employer contributions over the remaining working life of employees as assessed by the scheme actuary.

For 2014/15, employers participating in the scheme maintained at 20%.

### f) Scheme Gains and Losses

Actuarial gains and losses represent the extent to which actual outcomes have differed from the assumptions which were used in calculating IAS 19 figures.

For assets the gain/loss is normally the difference between the actual and expected return on assets, and for liabilities the gain/loss normally arises from the change in financial assumptions. These actuarial gains/losses are shown in the table below as experience gains and losses.

	31 March 2015 £'000	31 March 2014 £'000	31 March 2013 £'000	31 March 2012 £'000	31 March 2011 £'000
Experience Gain (Loss) on Assets	1,760	(807)	2,062	(991)	(168)
Fair Value of Scheme Assets	22,764	19,853	19,415	16,313	15,926
Experience Gain (Losses) on Liabilities	108	(402)	17	(193)	2,843
Present Value of Benefit Obligation / Liabilities	(28,715)	(24,583)	(24,109)	(20,390)	(18,419)
Actuarial Gain (Loss) on Assets	1,760	(807)	2,062	(991)	(168)
Actuarial Gain (Loss) on Obligation / Liability	(2,695)	1,030	(2,555)	(699)	4,550
<b>Net Actuarial Gain (Loss) Charged to Statement of Taxpayers' Equity</b>	<b>(935)</b>	<b>223</b>	<b>(493)</b>	<b>(1,690)</b>	<b>4,382</b>
Fair Value of Scheme Assets	22,764	19,853	19,415	16,313	15,926
Present Value of Defined Benefit Obligations	(28,715)	(24,583)	(24,109)	(20,390)	(18,419)
<b>Net Pension Liability</b>	<b>(5,951)</b>	<b>(4,730)</b>	<b>(4,694)</b>	<b>(4,077)</b>	<b>(2,493)</b>

### Republic of Ireland Employees

For those staff employed in the Republic of Ireland from 1 January 2007, a Trust Based Defined Contribution Scheme has been available for staff to join. The contributions are managed by Eagle Star and the advisers to the scheme are Watson Wyatt

(Ireland) Limited. Tourism NI contributed 16% of salary during the year whilst the staff member will continue to contribute 6%.

The total contributions payable to Eagle Star by Tourism NI for 2014/15 was £11,147 (2013/14 – £12,209).

## 16. Commitments Under Operating Leases

Total future minimum lease payments under operating leases are given in the table below for each of the following periods. All lease types are buildings; there are no land leases or other leases.

	2014/15 £	2013/14 £
Not Later Than One Year	312,000	312,000
Later Than One Year and Not Later Than Five Years	78,000	390,000
Later Than Five Years	-	-
	<b>390,000</b>	<b>702,000</b>

There are no finance leases.

## 17. Capital Commitments

There was no capital commitment in 2014/15 (2013/14 – £nil).

## 18. Other Financial Commitments

Tourism NI has entered into non-cancellable contracts to provide financial assistance under the Tourism Development Scheme. The payments to which Tourism NI is committed are as follows:

	2014/15 £	2013/14 £
Not Later Than One Year	2,769,013	1,547,174
Later Than One Year and Not Later Than Five Years	4,089,197	18,994,720
Later Than Five Years	-	-
<b>Present Value of Obligations</b>	<b>6,858,210</b>	<b>20,541,894</b>

Tourism NI receives EU grants and administers programmes that are funded by EU financial assistance. Therefore Tourism NI is bound by the appropriate EU regulations and requirements.

Tourism NI has a potential liability to repay EU grants if the relevant EC regulations and requirements are not met or complied with. At the end of the financial year, the maximum amount of potential liability is not quantifiable but the inherent risks remain as Tourism NI has continued to carry out the administrative role.

## 19. Contingent Liabilities

Tourism NI has not entered into any guarantees or indemnities or provided any letters of comfort.

## 20. Losses and Special Payments

Waiver/Write Off	2014/15 Losses £'000	2014/15 Number of Cases over £250k	2014/15 Number of Cases under £250k	2013/14 Losses £'000	2013/14 Number of Cases over £250k	2013/14 Number of Cases under £250k
Total	369	1	3	2	-	10

### ERDF Funding

Following a review by the Managing Authority, funding received to support the Tourism Innovation Fund in 2010 – 2012 was deemed to be ineligible. This resulted in the EU funding of £368,307 being withdrawn from the scheme and instead the expenditure was funded by Tourism NI.

## 21. Related Party Transactions

Tourism NI is a Non-Departmental Public Body sponsored by the Department of Enterprise, Trade and Investment (DETI). DETI also sponsors Invest NI, Health and Safety Executive Northern Ireland and The Consumer Council for Northern Ireland.

DETI is regarded as a related party. During the year Tourism NI had various material transactions with DETI and other entities for which the Department is regarded as the parent Department.

Tourism NI works with many public and private sector organisations including companies in which Board and SMT Members of Tourism NI have a beneficial interest. Transactions during the year with such companies, which were conducted at arm's length and were subject to normal project and programme rules and tendering procedures, where appropriate, are listed below.

### Howard Hastings Chairman

- Director of Hastings Hotel Group Ltd (Hastings Hotels services of £132 paid (2013/14 £68,632), Europa Hotel £34,632 paid (2013/14 - £43,460), Stormont Hotel £400 paid (2013/14 - £24), Slieve Donard Hotel £21,540 paid (2013/14 - £13,202), Ballygally Castle Hotel £6,873 paid (2013/14 - £614).
- Board Member of Tourism Ireland from March 2009. Grant of £14,096,534 paid through Tourism NI from DETI (2013/14 - £14,635,000). Services of £706 (2013/14 £7,556).
- Board Member of Food NI from January 2013 – services of £60,000 (2013/14 £60,000).
- Director of Moyola Cellars Ltd (Culloden Estate & Spa and Everglades Hotel) – Services of £10,791 paid (2013/14 - £6,246).

### Katy Best Board Member

- Board Member of Metropolitan Arts Centre (MAC) – £nil (2013/14 - grant of £70,000) and services of £nil (2013/14 - £634).
- Board Member of Tall Ships 2015 – grant of £200,000 to Belfast City Council for Tall Ships.

### Duncan McCausland Board Member

- Member of Board of Trustees of Nomadic Charitable Trust – £nil (2013/14 – grant of £771,889).
- Associate for G4S – Services of £9,893 (2013/14 £12,407).
- Associate for PWC – Services of £104,490 (2013/14 £16,620).
- Member of Board of SIB – Service of £86,561 (2013/14 £80,799).

### Michael McQuillan Board Member

- Council Member People 1st UK – services of £57,202 (2013/14 £75,240).
- Advisory Board Member of University of Ulster (Department of Hospitality & Tourism) – services of £nil (2013/14 £218).

### Donald Price Board Member

- Non- Executive Director Northern Ireland Water – Services of £2,514 paid (2013/14 £67,529).

### Colin Neill Board Member

- Chief Executive Pubs of Ulster (Hospitality Ulster) - grant £15,000, sponsorship £750 (2013/14 sponsorship - £750).

### Michele Shirlow Board Member

- Chief Executive Food NI - grant £60,000 (2013/14 grant - £60,000).

### Terry McCartney Board Member

- Director Northern Ireland Hotels Association – sponsorship £17,000, services £30,020 (2013/14 – sponsorship £18,000, services £7,700).

### Susie McCullough SMT Member

- Board Member of Tall Ships 2015 – grant of £200,000 to Belfast City Council for Tall Ships.

## 22. Fees and Charges

Certification of Tourist Accommodation	2014/15 £	2013/14 £
Income	73,740	89,642
Cost	(80,632)	(77,393)
<b>Surplus/(Deficit)</b>	<b>(6,892)</b>	<b>12,249</b>

## 23. Events after the Reporting Date

Tourism NI launched a Voluntary Exit scheme on 5 June 2015. The closing date for applications was 29 June 2015. Applications have been processed, communicated and agreed with staff. This has resulted in an obligation arising since the balance sheet date. The value of this liability is approximately £255k. The scheme is dependent on funding being made available. This is a non adjusting event and consequently the 2014/15 accounts have not been adjusted. If funding is confirmed it is expected that payments to settle this liability will be made during the 2015/16 financial year.

Terence Brannigan took up office as Chairman on 1 April 2015.

John McGrillen took up the position as Chief Executive Officer on 1 July 2015.

## Date of Authorisation for Issue

The Accounting Officer authorised the issue of these financial statements on 30 September 2015.

