

Northern Ireland Screen Commission  
Registration Number NI 031997

**Northern Ireland Screen Commission**  
**Directors' Report and Financial Statements**  
**for the year ended 31 March 2013**

### **Company Information**

<b>Directors</b>	Richard Hill (Chair) (Term ended May 2013) Rotha Johnston (Chairwoman) (Appointed June 2013) Brian McMahon Maurice Hayes Tim McKane James Penny Michael Catto Adeline Dinsmore Jennifer Johnston Michael Kuhn Fiona MacMillan Aódán MacPóilin Laurence McKeown Ian Parsley
<b>Secretary</b>	Richard Williams
<b>Company Number</b>	NI 031997
<b>Organisation Status</b>	Northern Ireland Screen was classified by ONS as an NDPB in January 2012 as per the Public Sector Classification Guide and the National Accounts Classification Decisions reports on the ONS website.
<b>Registered Office</b>	Alfred House 21 Alfred Street Belfast BT2 8ED
<b>Auditors</b>	Comptroller and Auditor General Northern Ireland Audit Office
<b>Bankers</b>	Danske Bank First Floor Donegall Square West Belfast BT1 6JS

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**Directors' Report and Management Commentary  
for the year ended 31 March 2013**

The Directors who served during the year are as follows:

Richard Hill (Chair)	Brian McMahon (Vice Chair)	Tim McKane
Maurice Hayes	James Penny	Michael Catto
Adeline Dinsmore	Jennifer Johnston	Aódán MacPóilin
Michael Kuhn	Fiona MacMillan	
Laurence McKeown	Ian Parsley	

The Directors who served after the accounting period include:  
Rotha Johnston (Chairwoman) appointed June 2013

**History & statutory background**

Northern Ireland Screen Commission (trading as Northern Ireland Screen) was established on 28 April 1997 as a direct result of recommendations made in the Edmund Review, which was commissioned by the Department of Education for Northern Ireland (DENI) and the Department of Economic Development (DED). It assumed the previous responsibilities of the Northern Ireland Film Council. The company is limited by guarantee.

The Department of Culture, Arts & Leisure (DCAL) is the government sponsor department for Northern Ireland Screen. The primary funders are Invest Northern Ireland, DCAL, the British Film Institute (BFI) as a conduit for the Department of Culture, Media & Sport, and the Arts Council of Northern Ireland, as a Lottery distributor. The framework for these governance and funding arrangements is contained in the Management Statement and Financial Memorandum dated 6 July 2009.

Since its establishment, the principal purpose of the company has been to accelerate the development of a dynamic and sustainable screen industry and culture in Northern Ireland.

**Business Review**

This report covers the third year of Northern Ireland Screen's 4 year strategy *Driving Global Growth*. Despite the difficult economic back drop, the screen industry in Northern Ireland has continued to grow and achieve significant success.

A mid-term and final evaluation of the Screen Fund and Invest NI funded activity was completed in August 2012 which reviewed the first period of the *Driving Global Growth* strategy (April 2010 to June 2012), and a final evaluation of the *Building on Success* strategy (2007-2010). The analysis of the *Driving Global Growth* strategy shows that the Screen Fund to date provided an economic return of £2.66 net additional Gross Value Added (GVA) to the economy for every pound invested. Both of the evaluations concluded that Northern Ireland Screen delivers strong value for money and extremely high additionality. It concluded also that companies and individuals supported in the sector are highly satisfied with the service provided.

**Directors' Report and Management Commentary  
for the year ended 31 March 2013 (cont)**

As well as HBO's *Game of Thrones*, which delivered very strong economic return, the Screen Fund supported other returning network television dramas including *Blandings* and *The Fall*.

Northern Ireland Screen played a pivotal role in securing the introduction in the UK of the new tax credit for Animation, High End Television Drama production and Gaming. It is anticipated that the tax credit will have a significant impact on the development of the industry in these areas.

Northern Ireland Screen employed 46 new entrant trainees across *Aim High*, *Game of Thrones*, local drama, VFX and post production and the Irish Language sector in 2012-13. The joint Skillset, BBC and Northern Ireland Screen training programme, *Aim High*, was launched for a 2<sup>nd</sup> scheme investing more than £300k in skills development. This apprenticeship programme places new entrants with a range of independent television production companies over an 18 month period.

Northern Ireland Screen's education work continues to develop and thrive. The Creative Learning Centres exceeded their targets for the year and attracted additional funding to expand the activities into hard to reach areas in 2013 and 2014. The After School Film Clubs received funding through OFMDFM Childcare Strategy to extend the clubs into 2013-14. There were 229 film clubs operating in Extended Schools throughout Northern Ireland during 2012-13.

The Irish Language Broadcast Fund (ILBF) and the Ulster-Scots Broadcast Fund (USBF) continue to contribute strongly to both the economic and cultural value of the screen industries in Northern Ireland. Both funds are now supported by the Department of Culture, Media and Sport (DCMS) through the British Film Institute (BFI). The ILBF continues to exceed its targets both through production and through the training programmes to develop the skills in the sector. The USBF supported more than 12 hours of high quality landmark documentary television in 2012-13.

**Sickness absence**

The sickness absence rate for the year was 3.5% (2012: 2%). This increase on the previous year was due to 2 employees involved in accidents outside of the workplace during the year.

**Personal data related incidents**

There are no personal data related incidents to report.

**Payments to Suppliers**

Northern Ireland Screen is required to comply with the British standards for achieving good payment performance in Commercial Transactions (BS 7890) and the Late Payment of Commercial Debts (Interest) Act 1998 as amended and supplemented by the Late Payment of Commercial Debt Regulations 2002. DAO (DFP) 12/98 and DAO (DFP) 19/02 refer.

**Directors' Report and Management Commentary  
for the year ended 31 March 2013 (cont)**

The percentage of bills paid within these standards is not known although as it is only disputed invoices which are withheld pending resolution the vast majority would be expected to meet this standard. The trade payable days at 31 March 2013 is less than 10 days.

**Risk**

The principal risks and uncertainties facing Northern Ireland Screen during the year were identified as follows:

Sustainable funding: Due to the relatively high number of sources of funding attracted by Northern Ireland Screen, the company carries a significant funding risk at all times.

Funding for year 4 of the *Driving Global Growth* strategy has been extended to £27.3m from the original sum awarded £18.7m. The strategy is projected to deliver a direct and immediate return of £121m.

The limit of 1 year Letters of Offer continues to have the greatest impact on Northern Ireland Screen's ability to confidently attract and support projects with a longer time frame. This in turn has a negative impact on the quality and range of projects supported and on Northern Ireland Screen's ability to ensure a steady and growing pipe line of projects. Despite Invest NI's efforts to address this issue on an ad hoc project by project basis, it is hoped that the overall policy to issue annual letters of offer can be addressed in the following strategy.

Staff Terms and Conditions

Ongoing problems surrounding changes to staff terms and conditions have resulted in senior staff instructing solicitors regarding alleged breach of their terms and conditions of employment. The Board are attempting to find a resolution in consultation with the department.

**Disclosure of Information to Auditor**

The directors confirm that:

- a) so far as the directors are aware, there is no relevant audit information of which the company's auditor is unaware; and
- b) they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

**Pension arrangements**

The company operates a defined contribution scheme. The pension costs charged in the financial statements represent the contributions payable by the company during the year.

**Directors' Report and Management Commentary  
for the year ended 31 March 2013 (cont)**

**Going concern**

The financial statements have been prepared on a going concern basis in accordance with applicable accounting standards issued by the UK accountancy bodies in a form directed by the Department of Culture, Arts and Leisure with the consent of the Department of Finance and Personnel.

**Conflicts of interest**

Directors declare any interest in successful applications to the Commission and commercial relationships with the Commission (see note 17).

**Auditor's remuneration**

See note 4 for details of auditor's remuneration.

**Conclusion**

The Summary Performance Indicator Report demonstrates Northern Ireland Screen's strong performance. *Good Vibrations*, an independent film produced, directed and written by Northern Ireland resident talent achieved critical acclaim including endorsement by director Ron Howard. This illustrates the progress the screen industry is making in Northern Ireland. HBO's *Game of Thrones*, re-commissioned for a 4<sup>th</sup> season, and Universal's *Dracula Year Zero* will be produced from Northern Ireland indicating our on-going competitiveness.



**Richard Williams**

**18<sup>th</sup> November 2013**

**Performance Indicators report**

Activity	Performance Indicators in Operating Plan 2012-13	Performance Indicators at 31 <sup>st</sup> March 2013
<p><b>Screen Fund</b> Overall Input/Output Ratio: Screen Fund Production</p> <p>Overall return from Screen Fund Production</p> <p>Paint Hall Studio – large scale production (over \$40million)</p> <p>Other film &amp; television Non Drama Digital Content Development</p> <p>Skills</p>	<p>6.03:1</p> <p>£24.175million</p> <p>Secure 1 in 2012 &amp; line up 1 for 2013</p> <p>10:1 3.5:1 3.5:1 2:1</p> <p>65% of crew resident in NI</p> <p>55% of Heads of Department resident in NI</p>	<p>Current estimate 5.91:1</p> <p>Current estimate £34.317million</p> <p>HBO's GAME OF THRONES Series 3 completed for 2012-13 Series 4 secured for 2013/14.</p> <p>Current estimate 7.05:1 - £22.5million spend by <i>Game of Thrones</i> Currently 4.77:1 Currently 6.26:1 Currently 4.13:1</p> <p>2012-13 YTD 60% Strategy 10-14 TD 63%</p> <p>2012-13 YTD 42% Strategy 10-14 TD 50%</p>
<p><b>Education</b> Creative Learning Centres</p> <p>After School Film Club</p>	<p>1,750 teachers per year to avail of 200 introductory and follow-up courses in creative digital technology programmes and courses (includes MIA courses)</p> <p>70 schools to be involved with a CLC</p> <p>275 schools to be involved with CLC programmes &amp; courses</p> <p>338 schools running film clubs</p>	<p>2,950 teachers participated in 302 courses</p> <p>54 new schools involved in CLC partnership programmes and 98 schools receiving continued support</p> <p>333 schools in total involved in all CLC programmes</p> <p>228 schools signed up for Film Club (target not met due to recruitment issues from delayed funding)</p>
<p><b>Exhibition:</b> QFT, Belfast Film Festival, Cinemagic, Cinemobile &amp; Foyle Film Festival</p>	<p>Paid Admissions Target £116k Box Office Target £475k</p>	<p>Paid admission achieved £106k Box office achieved £447k</p>
<p><b>Irish Language Broadcast Fund</b></p>	<p>60 hours television broadcast to 25,000+ people in NI</p> <p>Support 12 trainees</p>	<p>69 hours of television broadcast</p> <p>Supported 12 trainees (11 trainees completed)</p>
<p><b>Ulster-Scots Broadcast Fund</b></p>	<p>Commission 12 hours of Ulster-Scots programming awarded</p> <p>90% of programmes broadcast within 6 months of delivery</p>	<p>Commissioned 17.1 hours of Ulster-Scots programming in year.</p> <p>14 projects have been delivered during the year with 13 broadcast within 6 months of delivery – 92.8%.</p>
<p><b>Outreach</b> Digital Film Archive</p>	<p>50 outreach events/presentations per annum</p>	<p>44 outreach events delivered in year</p>



### **Remuneration report**

The Board Members are appointed by the Minister of Culture, Arts and Leisure in consultation with the Minister of Enterprise, Trade and Investment. Appointments of Board Members will normally be for a period of four years with the possibility of re-appointment for a further four years. These appointments are made in accordance with the Code of Practice issued by the Commissioner for Public Appointments for Northern Ireland.

The following sections provide details of the remuneration and pension interests of the Accounting Officer/Chief Executive and Board.

The Directors who served during the year are as noted on page 1.

The Chief Executive is appointed by Northern Ireland Screen's Board of Directors and reports to the Board.

Formal grading methodologies such as Job Evaluation and Grading Support (JEGS) and Job Evaluation for Senior Posts (JESP) will be employed to ensure that the post is correctly loaded and graded. The grading of the post shall be reviewed before the appointment of a new Chief Executive and periodically as determined by DCAL or Northern Ireland Screen. Northern Ireland Screen shall liaise closely with DCAL throughout this process. DCAL shall provide advice and guidance as and when required. Northern Ireland Screen shall obtain DCAL approval regarding the proposed remuneration and terms and conditions prior to publication of the advertisement for the position.

The Chief Executive, and Accounting Officer, Richard Williams, receives a salary for his employment and employer contributions to the company defined contribution pension scheme.

**Remuneration report (cont)**

Details of remuneration and pension contributions (which are subject to audit) are set out below:

	2012-13			2011-12		
	Salary (including pension contributions) £	Benefits in kind £	Employer contribution to defined contribution scheme £	Salary (including pension contributions) £	Benefits in kind £	Employer contribution to defined contribution scheme £
Richard Williams <i>Chief Executive</i>	65-70	-	0-5	65-70	-	0-5
Richard Hill <i>Chair</i>	5-10	-	-	5-10	-	-
Brian McMahon <i>Vice Chair</i>	0-5	-	-	0-5	-	-

**Salary**

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

**Benefits in kind**

The monetary value of benefits in kind covers any benefit provided by the employer and treated by HM Revenue and Customs as a taxable emolument. No benefits in kind were payable in 2011-12 or 2012-13.

**Bonuses**

Bonuses are based on performance levels attained and are made as part of the appraisal process. Bonuses relate to the performance in the year in which they become payable to the individual.

In addition, Richard Hill received expenses of £1,732 (2011-12 £1,484) and Brian McMahon received expenses of £2,669 (2011-12 £1,944). No other directors received remuneration or were paid expenses.

The accounts hold an accrual in respect of backdated remuneration to the Chief Executive for the years 07-08, 08-09, 09-10, 10-11, 11-12, 12-13 to the total value of £32,986. Discussions are ongoing between the Chief Executive, the Board and the department in respect of this matter.

The banded remuneration of the highest-paid employee/ Accounting Officer in the financial year 2012-13 was £65-70k (2011-12 £65-70k). This was 2.73 times (2011-12 2.73times) the median remuneration of the workforce, which was £24,177 (2011-12 £24,177).



**Richard Williams**  
**18<sup>th</sup> November 2013**

### **Statement of Directors' and Accounting Officer's Responsibilities**

Under the Government Resources and Accounts Act (Northern Ireland) 2001, the Department of Finance and Personnel has directed Northern Ireland Screen Commission to prepare for each financial year a statement of accounts in the form and on the basis set out in the Accounts Direction. The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of Northern Ireland Screen Commission and of its net expenditure, statement of financial position, changes in taxpayers' equity and cash flows for the financial year.

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

- observe the Accounts Direction issued by the Department of Finance and Personnel, 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; and
- prepare the financial statements on the going concern.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Accounting Officer of the Department of Culture, Arts and Leisure has designated the Chief Executive as the Accounting Officer of Northern Ireland Screen. The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which the Accounting Officer is answerable, for keeping proper records and for safeguarding Northern Ireland Screen's assets, are set out in Managing Public Money Northern Ireland issued by the Department of Finance and Personnel.



**R Williams**  
**Accounting Officer**  
**18<sup>th</sup> November 2013**

## **Governance Statement for the year ended 31 March 2013**

### **Scope of Responsibility**

The Accounting Officer of Northern Ireland Screen has responsibility for maintaining a sound system of internal control that supports the achievement of the policies, aims and objectives of Northern Ireland Screen, whilst safeguarding the public funds and the assets of Northern Ireland Screen, for which he is personally responsible, in accordance with the responsibilities assigned to him by the Board of Northern Ireland Screen and in Managing Public Money Northern Ireland.

Northern Ireland Screen's Management Statement sets out the relationship between DCAL and Northern Ireland Screen and defines the financial and administrative framework within which Northern Ireland Screen operates. Northern Ireland Screen's Financial Memorandum which should be read in conjunction with the Management Statement sets out the framework for the management and control of the finance of Northern Ireland Screen.

### **Compliance with Corporate Governance Code**

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of Northern Ireland Screen's policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Northern Ireland Screen for the year ended 31 March 2013 and up to the date of approval of the annual report and accounts, and accords with DFP guidance.

### **Governance Framework**

The Accounting Officer of Northern Ireland Screen is responsible for ensuring that audit and risk management systems and internal controls are in place and Northern Ireland Screen complies with all statutory and legal obligations. The Accounting Officer has responsibility to ensure that Northern Ireland Screen's Board and its senior management adhere to the Management Statement and Financial Memorandum agreed between DCAL and Northern Ireland Screen.

The Board has overall responsibility for ensuring a robust risk management process is established. However, a number of other parties also have a role to play; they are Finance & Audit Committee, Internal Audit, External Audit and the Senior Management Team. The greatest level of assurance is obtained through a fully embedded risk management process. The regular review and reporting of risks and control activity provides a second level of assurance. Reviews by internal and external audit provide an independent assurance that the

**Governance Statement  
for the year ended 31 March 2013 (cont)**

processes are working effectively. Control mechanisms are in place to ensure that the risk to information is minimal.

The main procedures in place to monitor the effectiveness of the system of internal control are as follows:

- Regular meetings with the officials from the Department of Culture, Arts and Leisure and Invest Northern Ireland to consider both operational and strategic issues and matters relating to the system of internal control;
- Quarterly Assurance Reports, monthly Fraud returns to the Department of Culture, Arts and Leisure, and an annual Fraud Risk Analysis;
- Northern Ireland Screen's Risk Management policy explains the organisation's underlying approach to risk management, and outlines the roles and responsibilities of the Board, the Finance and Audit Committee, the senior management team and Internal and External Audit;
- Following best practice with regard to the procurement of goods and services;
- Regular reports by administrative staff on progress against principal financial targets and the projected financial outcome for the year, and progress reports by staff responsible for major funds;
- Detailed progress reports to the Finance and Audit Committee and the Board of Northern Ireland Screen at their regular meetings and the inclusion of performance measures and results against targets in the annual operating plan;
- Reports from the internal auditors to the Finance and Audit Committee on the system of internal control for the year;
- External audit report by C&AG on whether the financial statements give a true and fair view of the affairs of the company;
- Periodic reviews of the Risk Register by the Chief Executive and Head of Finance and also by the Finance and Audit Committee and internal auditors of Northern Ireland Screen. The principal risks to the achievement of the objectives of Northern Ireland Screen are identified and recorded in the risk register, together with the controls in place and any further controls required to manage the risk effectively, efficiently and economically. Reports on emerging issues and strategies to deal with any associated risks are made to the Department of Culture, Arts and Leisure, Invest Northern Ireland, the Finance and Audit Committee and the Board at their regular meetings.

**Governance Statement  
for the year ended 31 March 2013 (cont)**

**Board Membership**

Northern Ireland Screen is governed by a Board of thirteen non-executive directors:

Rick Hill – Chair (term completed 31 May 2013)	Brian McMahon – Vice Chair
Rotha Johnston – Chairwoman (appointed 3 June 2013)	Michael Catto
Fiona MacMillan	Maurice Hayes
Michael Kuhn	Adeline Dinsmore
James Penny	Tim McKane
Laurence McKeown	Aódán Mac Póilin
Jennifer Johnston	Ian Parsley

The Board met on the following dates:

26 <sup>th</sup> June 2012 (12 attended)	11 <sup>th</sup> September 2012 (12 attended)
27 <sup>th</sup> November 2012 (13 attended)	26 <sup>th</sup> February 2013 (10 attended)

**Finance and Audit Committee**

The Board of Northern Ireland Screen has established an Audit Committee as a Committee of the Board to support them in their responsibilities for issues of risk control and governance. This will be carried out by reviewing the comprehensiveness of assurances in meeting the Board and Accounting Officer's assurance needs and reviewing the reliability and integrity of these assurances.

The Audit Committee will advise the board and Accounting Officer on:

- The strategic processes for risk, control and governance and the Governance Statement;
- The accounting policies, the accounts, and the annual report of the organisation, including the process for review of the accounts prior to submission for audit;
- The planned activity and results of internal audit;
- Assurances relating to the corporate governance requirements for the organisation;
- Anti-fraud policies, whistle-blowing processes and arrangements for special investigations;
- Review of its own effectiveness which is periodically reviewed by internal audit.

**Governance Statement  
for the year ended 31 March 2013 (cont)**

**Northern Ireland Screen committees**

Northern Ireland Screen has established a number of investment committees for its Screen Fund, Ulster-Scots Broadcast Fund and Irish Language Broadcast Fund, all of these committees will:

- Oversee the investments made by the relevant fund and ensure that at all times the investment decisions are made in line with the guidelines for each fund;
- Ensure that appropriate procedures and associated monitoring and reporting measures are in place to allow the Committee to report effectively to the Board and to support the work of staff associated with each fund;
- Advise on how to maximise the effectiveness of each fund in delivering against its objectives as stated in the fund guidelines;
- Act as the advisory panel to the Board with regard to all matters relating to each fund;
- Make decisions on awards up to the maximum as detailed in each fund's Operating Manual.

These committees have all functioned effectively throughout the year to March 2013 and have reported on their activities to the Board of Northern Ireland Screen at each quarterly Board meeting.

**Business Planning and Risk Management**

The Accounting Officer's responsibilities include ensuring that Northern Ireland Screen produces a 4 year strategy and an annual business plan within the timescales set by DCAL and Invest NI. The plans are reviewed regularly by senior management and by the Board to determine progress. Quarterly accountability meetings are held with officials from DCAL and Invest NI to monitor progress.

Risk at Northern Ireland Screen is primarily handled by ensuring that those responsible, whether staff or Board members, are suitably qualified and experienced. This is critical in the management of investments in film and television production and development, where experience is the only tool that differentiates between viable and non-viable projects.

Financial decisions are structured so as to separate responsibility as far as is possible in a relatively small organisation with a long established structure of Investment Committees assessing proposed decisions laid out by appropriately qualified and experienced staff.

A system of risk management is maintained to inform the Board's decisions and all reputational risks to the organisation are drawn to the attention of the Chair and are properly managed.



**Governance Statement  
for the year ended 31 March 2013 (cont)**

Northern Ireland Screen's Risk Register outlines the key corporate risks facing Northern Ireland Screen as identified by its Senior Management Team, the Risk Register details management's assessment of the key risks by rating, associated controls and actions required to minimise the risk occurring. The updated Risk Register is presented to the Finance and Audit Committee and to the Board at each meeting on a quarterly basis.

The Accounting Officer of Northern Ireland Screen acknowledges, through the completion of the Quarterly Assurance Statement, responsibility for maintaining a sound system of internal control which supports the achievement of Northern Ireland Screen's and DCAL's policies, aims and objectives, whilst safeguarding the public funds and organisational assets for which he is personally responsible.

The risk management process is integrated with normal management processes and informs the annual business planning cycle so as to link risk management and internal control firmly with Northern Ireland Screen's ability to fulfil its business objectives.

Responsibility for overseeing and monitoring all risk has been delegated to the Accounting Officer. Through the management team he ensures that all staff and board members have received training and guidance on risk.

**Fraud Risk and Information Risk**

To safeguard public resources and to raise staff awareness against the risk of fraud Northern Ireland Screen has a Fraud Prevention policy and Fraud Response plan which are regularly reviewed and updated. Staff are aware of and have received relevant training in respect of fraud, whistle blowing and the requirements of the Bribery Act 2010. Monthly reports on potential/alleged fraud are submitted to DCAL's Governance Support Unit. A Fraud Risk Analysis is submitted to DCAL annually.

Appropriate arrangements are in place within Northern Ireland Screen to ensure that all data, including personal/sensitive data is held and used securely and whistleblowers are protected.

**Sources of Independent Assurance**

Internal Audit is responsible for providing opinions regarding the adequacy and effectiveness of Northern Ireland Screen's system of internal controls. It adapts a classification system for the assurance achieved in each audit. This classification is based on guidelines issued by the Department of Finance and Personnel on 23 August 2007, reference DAO (DFP) 11/07.

**Governance Statement  
for the year ended 31 March 2013 (cont)**

At the end of each financial year an Internal Audit Assurance Statement is issued to the Finance and Audit Committee of Northern Ireland Screen based on the systems audit work performed during the year. The following reviews were completed in the year:

- Review of Lottery funding
- Review of Procurement and Contract Management
- Review of Risk management

An overall rating of *Substantial* was given in the Internal Audit annual Report issued at year end.

Northern Ireland Screen was classified by ONS as an NDPB in January 2012 as per the Public Sector Classification Guide and the National Accounts Classification Decisions reports on the ONS website.

Following this change in status the Head of the Northern Ireland Audit Office (NIAO), the Comptroller and Auditor General (C&AG) has the legal authority to subject Northern Ireland Screen to a public sector audit by the C&AG from the 2012-13 accounts onwards. Due to the late approval of the 2013 Order, Northern Ireland Screen's audit could not be completed prior to the Assembly's summer recess as has been the practice in previous years.

**Review of effectiveness**

The Accounting Officer has responsibility for reviewing the effectiveness of the system of internal control. The review of the effectiveness of the system of internal control is informed by the work of the internal auditors and the Heads of Department and senior staff within Northern Ireland Screen who have responsibility for the development and maintenance of the internal control framework, and by the comments made by the external auditors in their management letter and other reports. He has been advised on the implications of the result of the review of the effectiveness of the system of internal control by the board and the Finance and Audit Committee, and a plan to address any weaknesses and ensure continuous improvement of the system is in place. This is overseen by the Finance and Audit Committee and prescribed by the internal auditor.

Following a risk assessment undertaken by DCAL in 2009, Northern Ireland Screen implemented a range of changes to assist in reducing the risk profile of the organisation and we await the result of a further assessment undertaken by DCAL in 2013; we expect this assessment to show that Northern Ireland Screen's risk profile has been reduced.

However, it should be emphasised that Northern Ireland Screen's area of work will always carry a higher than average risk profile. Northern Ireland Screen is in continuous discussion with relevant Government departments regarding the relatively complex funding and governance arrangements under which it operates.

**Governance Statement  
for the year ended 31 March 2013 (cont)**

**Significant Internal Control Issues 2012-13**

At the time of writing the Governance Statement there are no outstanding Priority 1 internal audit recommendations. However, ongoing problems surrounding changes to staff terms and conditions have resulted in senior staff instructing solicitors regarding alleged breach of their terms and conditions of employment. The Board has added the issue to the Risk Register (red risk). The Board are attempting to find a resolution in consultation with the department.

**R Williams  
18<sup>th</sup> November 2013**

A handwritten signature in black ink, appearing to be 'R Williams', written over a horizontal line.

## **Northern Ireland Screen Commission**

### **THE CERTIFICATE AND REPORT OF THE COMPTROLLER AND AUDITOR GENERAL TO THE MEMBERS OF NORTHERN IRELAND SCREEN COMMISSION**

I certify that I have audited the financial statements of the Northern Ireland Screen Commission for the year ended 31 March 2013 under the Companies (Public Sector Audit) Order (Northern Ireland) 2013. These comprise the Statement of Comprehensive Net Expenditure, the Statement of Financial Position, the Statement of Cash Flows, the Statement of Changes in Taxpayers' Equity and the related notes. These financial statements have been prepared under the accounting policies set out within them. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards as adopted by the European Union. I have also audited the information in the Remuneration Report that is described in that report as having been audited.

#### **Respective responsibilities of directors and auditor**

As explained more fully in the Directors' and Accounting Officer's Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. My responsibility is to examine, certify and report on the financial statements in accordance with the Companies (Public Sector Audit) Order (Northern Ireland) 2013. I conducted my audit in accordance with International Standards on Auditing (UK and Ireland). Those standards require me and my staff to comply with the Financial Reporting Council's Ethical Standards for Auditors.

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

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition I read all the financial and non-financial information in the Directors' Report and Management Commentary, Performance Indicator Report, Remuneration Report, Statement of Directors' and Accounting Officer's Responsibilities and the Governance Statement to identify material inconsistencies with the audited financial statements. If I become aware of any apparent material misstatements or inconsistencies I consider the implications for my certificate.

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

#### **Opinion on Regularity**

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

## **Opinion on financial statements**

In my opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2013 and of its net expenditure, cash flows and changes in taxpayers' equity for the year then ended;
- have been properly prepared in accordance with International Financial Reporting Standards as adopted by the European Union; and
- have been prepared in accordance with the Companies Act 2006.

## **Opinion on other matters**

In my opinion:

- the part of the Remuneration Report to be audited has been properly prepared in accordance with the Government Financial Reporting Manual; and
- the information given in the Directors' Report and Management Commentary for the financial year for which the financial statements are prepared is consistent with the financial statements.

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

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

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

## **Report**

I have no observations to make on these financial statements.

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

19 December 2013

**NORTHERN IRELAND SCREEN COMMISSION**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2013**

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**Statement of comprehensive net expenditure  
 for the year ended 31<sup>st</sup> March 2013**

	Note	2013 £	2012 £
<b>Expenditure</b>			
Staff costs	6	(683,388)	(693,901)
Depreciation	6	(7,097)	(7,494)
Other expenditure	6	(208,642)	(257,861)
Programme expenses	7	<u>(14,815,252)</u>	<u>(12,626,799)</u>
		(15,714,379)	(13,586,055)
<b>Income</b>			
Income from activities	5	15,610,669	13,318,609
Other income	5	<u>91,500</u>	<u>254,000</u>
		15,702,169	13,572,609
<b>Net expenditure</b>		<u>(12,210)</u>	<u>(13,446)</u>

The notes on pages 25 to 36 form part of these financial statements.



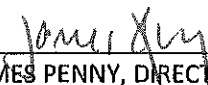
**Statement of financial position  
as at 31<sup>st</sup> March 2013**

	<b>Note</b>	<b>2013</b> £	<b>2012</b> £
<b>Non-current assets</b>			
Property, plant and equipment	<b>10</b>	9,847	16,944
<b>Current assets</b>			
Trade and other receivables	<b>11</b>	213,008	620,382
Cash and cash equivalents	<b>12</b>	<u>782,409</u>	<u>1,259,494</u>
		995,417	1,879,876
<b>Total assets</b>		<b><u>1,005,264</u></b>	<b><u>1,896,820</u></b>
<b>Current liabilities</b>			
Trade and other payables	<b>13</b>	<u>995,066</u>	<u>1,874,412</u>
<b>Non-current assets plus net current assets</b>		<b><u>10,198</u></b>	<b><u>22,408</u></b>
<b>Assets less liabilities</b>		<b><u>10,198</u></b>	<b><u>22,408</u></b>
<b>Taxpayers' equity</b>			
General reserve		<u>10,198</u>	<u>22,408</u>
<b>Total taxpayers' equity</b>		<b><u>10,198</u></b>	<b><u>22,408</u></b>

These financial statements have been prepared in accordance with the Government Financial Reporting Manual 2012-13 (FRM).

The financial statements on pages 21 to 36 were approved by the Board on 27 September 2013 and were signed on its behalf by:

(Signed)   
RÓTHA JOHNSTON, CHAIRWOMAN

(Signed)   
JAMES PENNY, DIRECTOR

Date 18 November 2013

Date 18.11.13

The notes on pages 25 to 36 form part of these financial statements.

It is the view of the Board that an exemption from the audit requirements of Part 16 of the Companies Act 2006 is available under section 482 of that Act, since the company meets the Department of Finance and Personnel's definition of a non-profit making company and is subject to a public sector audit under the Companies (Public Sector Audit)(Northern Ireland) Order 2013, being an order issued under Article 5(3) of the Audit and Accountability (Northern Ireland) Order 2003. The Board therefore claims this exemption.

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The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and preparation of accounts.

**Statement of cash flows  
 for the year ended 31<sup>st</sup> March 2013**

	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>
<b>Cash flows from operating activities</b>		
Net expenditure	(12,210)	(13,446)
<b>Adjustments for non-cash transactions:</b>		
Depreciation	7,097	7,494
Government Grant release	-	(2,433)
Capital Expenditure	-	(15,000)
Bank interest received	-	(3,268)
Operating deficit before working capital changes	(5,113)	(26,653)
Decrease in trade and other receivables	407,374	22,133
(Decrease)/Increase in trade and other payables	<u>(879,346)</u>	<u>489,481</u>
<b>Net cash (outflow)/inflow from operating activities</b>	<b>(477,085)</b>	<b>484,961</b>
<b>Cash flows from investing activities</b>		
Bank interest received	-	<u>3,268</u>
<b>Net cash inflow from investing activities</b>	<u>-</u>	<u>3,268</u>
<b>(Decrease)/increase in cash and cash equivalents</b>	<b>(477,085)</b>	<b>488,229</b>
<b>Cash and cash equivalents at 1<sup>st</sup> April 2012 (Note 12)</b>	<b><u>1,259,494</u></b>	<b><u>771,265</u></b>
<b>Cash and cash equivalents at 31<sup>st</sup> March 2013 (Note 12)</b>	<b><u>782,409</u></b>	<b><u>1,259,494</u></b>

The notes on pages 25 to 36 form part of these financial statements.

**Statement of changes in taxpayers' equity**

	<b>General reserve £</b>	<b>Government grant reserve £</b>
Balance at 1 <sup>st</sup> April 2011	35,854	2,434
Changes in reserves for 2011-12		
Release of government grant reserve	-	(2,434)
Net expenditure for the year	(13,446)	-
Total recognised changes for the year	_____ -	_____ -
Balance at 31 <sup>st</sup> March 2012	22,408	-
Changes in reserves for 2012-13		
Net expenditure for the year	<u>(12,210)</u>	_____ -
<b>Balance at 31<sup>st</sup> March 2013</b>	<b><u>10,198</u></b>	<b>===== -</b>

The notes on pages 25 to 36 form part of these financial statements.

**Notes to the financial statements  
for the year ended 31<sup>st</sup> March 2013**

**1 Statement of accounting policies**

**1.1 Accounting convention**

The financial statements are prepared under the historical cost convention and in accordance with the Government Financial Reporting Manual 2012-13 (FReM) as directed by the Department of Culture, Arts and Leisure (DCAL), except that there is a departure from the requirement to recognise grants-in-aid on a cash basis. This departure is detailed in note 3. The accounting policies contained in the FReM apply International Financial Reporting Standards as adapted or interpreted for the public sector context. Where the FReM permits a choice of accounting policy, the accounting policy which is judged to be most appropriate to the particular circumstances of Northern Ireland Screen for the purpose of giving a true and fair view has been selected. The particular policies adopted by Northern Ireland Screen are described below. They have been adopted consistently in dealing with items that are considered material to the financial statements.

**1.2 Property, plant and equipment**

Property, plant and equipment are valued at depreciated historical cost as a proxy for fair value, as the assets have short useful lives and low values.

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Production equipment	50% straight line/life of lease
Computer equipment	33 1/3% straight line
TV and video equipment	25% reducing balance
Fixtures and fittings	25% reducing balance
Office equipment	25% reducing balance

**1.3 Programme Expenditure**

Expenditure on film production is recognised on the basis of applications for payment or invoices received in the year, from funded projects. Recoupment of expenditure and any profit participation depends on the successful outcome of the production. The recoupment must be reinvested in the fund within 12 months of the date received or repaid to the funder. Northern Ireland Screen does not retain ownership of the recoupment.

Expenditure incurred but not claimed by projects at the end of the year would be difficult to estimate and to recognise as a liability at the year end. If this expenditure was recognised as a liability in the accounts there would also be a need to recognise an equivalent amount of income under the existing Letter of Offer against this expenditure. Moving to a strict accruals basis would not change the position of the accounts materially at the year end.

**Notes to the financial statements  
for the year ended 31<sup>st</sup> March 2013**

**1.4 Pensions**

The company operates a defined contribution scheme. The pension costs charged in the financial statements represent the contributions payable by the company during the year.

**1.5 Deferred taxation**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less tax, with the following exceptions:

- provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold;
- deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted; and
- deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

**1.6 Incoming resources**

Grants towards revenue expenditure are released to the statement of comprehensive income as the related expenditure is incurred.

In prior years grants towards capital expenditure were credited to the government grant reserve and released to the revenue reserve over the expected useful life of the assets. This policy was changed in 2011-12 to reflect FREM 11/12. Grant income towards capital assets is now recognised in the year it is received.

In selecting this accounting policy, the directors have departed from the requirements of the FREM in order to achieve a true and fair view. The rationale for the selection of the accounting policy and the effect on the financial statements are detailed in note 3.

Other income represents the total invoice value, excluding value added tax, of rental income arising during the year.

**Notes to the financial statements  
for the year ended 31<sup>st</sup> March 2013**

**1.7 Operating lease agreements**

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against income on a straight line basis over the period of the lease.

**1.8 Impending application of newly issued accounting standards not yet effective**

Under IAS 8 there is a requirement to disclose those standards issued but not yet adopted. Management has reviewed the new accounting policies that have been issued but not yet effective, nor adopted early for these financial statements. Management consider that these are unlikely to have a significant impact on the financial statements in the period of the initial application.

**1.9 Critical accounting judgments and estimates**

The preparation of financial statements in conformity with IFRS requires the use of accounting estimates and assumptions. It also requires management to exercise its judgement in the process of applying NI Screen's accounting policies. Management continually evaluate their estimates, assumptions and judgements based on available information and experience. As the use of estimates is inherent in financial reporting, actual results could differ from these estimates. Key accounting estimates include accrued expenses.

**1.10 Operating segments**

IFRS 8 Operating Segments requires an entity to report financial and descriptive information about its reportable segments, which are operating segments or accumulations of operating segments. These are components about which separate financial information is available that is evaluated regularly by the chief operating decision maker in deciding how to allocate resources and in addressing performance. Due to the size and nature of NI Screen, it is managed as a single segment, with all staff contributing to the organisation's overall performance. As such, performance is not disaggregated for evaluation by the chief operating decision maker and so performance has not been disaggregated by operating segment in these financial statements.

**2 Financial instruments**

As the cash requirements of Northern Ireland Screen are met through grants provided by a range of funders including DCAL, Invest NI, BFI, Arts Council and others, 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 Northern Ireland Screen's expected purchase and usage requirements and the organisation is therefore exposed to little credit, liquidity or market risk.

**Notes to the financial statements  
for the year ended 31<sup>st</sup> March 2013**

**3 Incoming resources**

Grants for revenue purposes are credited to deferred income and released to the statement of comprehensive income as the related expenditure is incurred. In selecting this accounting policy, the directors have departed from the accounting policy prescribed in the FReM that grants-in-aid should be accounted for as a financing transaction rather than an income transaction and that grants-in-aid should be accounted for on a cash basis. The directors consider the departure necessary to achieve a true and fair view, and have followed the requirements of IAS 20 Government Grants.

Grants are generally drawn down in advance to ensure prompt settlement of anticipated claims and expenditure. The expenditure may therefore not be incurred in the same accounting period that the funds are received. The directors consider that recognising income on a cash basis would result in the recognition of a surplus in the period of receipt, and a deficit when the related expenditure is incurred, which would not give a true and fair view of the underlying activities and performance for those periods.

If the accounting policy prescribed by the FReM were applied, the financial statements would be restated as follows:

	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>
Income	14,778,502	13,887,154
Net expenditure	837,780	550,099
	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>
Accruals and deferred income	138,128	126,743
General reserve	815,372	590,953

**Notes to the financial statements  
for the year ended 31<sup>st</sup> March 2013**

**4 Surplus/(deficit) for the year is stated after charging/(crediting):**

	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>
Depreciation of property, plant and equipment	7,097	7,494
Payments under operating leases	3,324	1,642
Fees payable to the company's auditor for the audit of the company's annual accounts	6,500	4,500
Fees payable to the company's auditor for tax and grant services	<u>-</u>	<u>9,850</u>

**5 Income and Other income**

	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>
Funding Income		
Invest NI	8,062,843	6,842,583
DCAL – grant-in-aid	2,016,144	1,779,179
DCMS - BFI	4,495,914	3,919,319
Arts Council	646,083	590,790
Various funding Income	389,685	100,572
Legacy Trust	<u>-</u>	<u>86,166</u>
	<u>15,610,669</u>	<u>13,318,609</u>

	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>
Other Income		
Rent receivable	<u>91,500</u>	<u>254,000</u>

**6 Administrative expenses**

	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>
Staff costs	683,388	693,901
Premises expenses	77,120	79,185
Office overheads	63,374	109,422
Staff and Board expenses	68,148	69,254
Depreciation	<u>7,097</u>	<u>7,494</u>
	<u>899,127</u>	<u>959,256</u>



**Notes to the financial statements  
 for the year ended 31<sup>st</sup> March 2013**

**7 Programme expenses**

	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>
Northern Ireland Screen Fund	7,129,495	5,881,801
Ulster-Scots Broadcast Fund	1,455,914	860,121
Skills Development	504,383	299,485
Irish Language Broadcast Fund	2,890,000	2,890,008
Creative Learning Centres	803,927	751,677
Lottery Film Funding Programme	605,252	574,190
Third Party Organisations	455,300	420,210
Film Clubs	365,000	131,250
Development Activity	46,731	63,627
Production legal fees	82,445	61,896
Marketing and information	246,304	204,669
Education and Digital archive	48,147	44,649
Creative Industries Innovation Fund	40,000	39,997
Infrastructure	-	64,553
Paint Hall rental & repairs	90,000	252,500
VAT on costs – change in ruling December 2012	52,354	-
Legacy Trust	-	86,166
	<u>14,815,252</u>	<u>12,626,799</u>

**8 Pension costs**

The company operates a defined contribution pension scheme. The scheme and its assets are held by independent managers. The pension charge represents contributions from the company amounting to £37,477 (2012 - £30,857).

**Notes to the financial statements  
for the year ended 31<sup>st</sup> March 2013**

**9 Staff costs**

	<b>Permanently employed staff £</b>	<b>Others £</b>	<b>2013 £</b>	<b>2012 £</b>
<b>Administrative expenses:</b>				
Salaries	591,572	-	591,572	602,515
Social security costs	61,089	-	61,089	62,266
Other pension costs	<u>30,727</u>	<u>-</u>	<u>30,727</u>	<u>29,120</u>
	<u>683,388</u>	<u>-</u>	<u>683,388</u>	<u>693,901</u>
<b>Programme expenses:</b>				
Salaries	165,727	405,138	570,865	324,275
Social security costs	13,777	19,893	33,670	22,666
Other pension costs	<u>6,750</u>	<u>-</u>	<u>6,750</u>	<u>1,737</u>
	<u>186,254</u>	<u>425,031</u>	<u>611,285</u>	<u>348,678</u>

During the year Northern Ireland Screen employed an average of 26 full-time equivalent staff (2011-12: 25).

Notes to the financial statements  
for the year ended 31<sup>st</sup> March 2013

10	Property, plant and equipment					
	Production Equipment £	Computer Equipment £	Fixtures and fittings £	Office equipment £	TV equipment £	Total £
<b>Cost</b>						
At 1 <sup>st</sup> April 2012	215,896	27,147	33,423	40,453	17,017	333,936
Additions in Year	-	-	-	-	-	-
Disposals	<u>(215,896)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(215,896)</u>
At 31 <sup>st</sup> Mar 2013	<u>-</u>	<u>27,147</u>	<u>33,423</u>	<u>40,453</u>	<u>17,017</u>	<u>118,040</u>
<b>Depreciation</b>						
At 1 <sup>st</sup> April 2012	215,896	16,448	31,355	38,759	14,534	316,992
Disposal depreciation	(215,896)	-	-	-	-	(215,896)
Charge for year	<u>-</u>	<u>5,700</u>	<u>463</u>	<u>379</u>	<u>555</u>	<u>7,097</u>
At 31 <sup>st</sup> Mar 2013	<u>-</u>	<u>22,148</u>	<u>31,818</u>	<u>39,138</u>	<u>15,089</u>	<u>108,193</u>
<b>Net book values</b>						
At 31 <sup>st</sup> Mar 2013	<u>-</u>	<u>4,999</u>	<u>1,605</u>	<u>1,315</u>	<u>1,928</u>	<u>9,847</u>
At 31 <sup>st</sup> Mar 2012	<u>-</u>	<u>10,699</u>	<u>2,068</u>	<u>1,694</u>	<u>2,483</u>	<u>16,944</u>
	Production Equipment £	Computer Equipment £	Fixtures and fittings £	Office equipment £	TV equipment £	Total £
<b>Cost</b>						
At 1 <sup>st</sup> April 2011	215,896	156,018	33,423	40,453	20,040	465,830
Additions in Year	-	15,000	-	-	-	15,000
Disposals	<u>-</u>	<u>(143,871)</u>	<u>-</u>	<u>-</u>	<u>(3,023)</u>	<u>(146,894)</u>
At 31 <sup>st</sup> Mar 2012	<u>215,896</u>	<u>27,147</u>	<u>33,423</u>	<u>40,453</u>	<u>17,017</u>	<u>333,936</u>
<b>Depreciation</b>						
At 1 <sup>st</sup> April 2011	215,896	154,620	30,761	38,272	16,843	456,392
Disposals	-	(143,871)	-	-	(3,023)	(146,894)
Charge for year	<u>-</u>	<u>5,699</u>	<u>594</u>	<u>487</u>	<u>714</u>	<u>7,494</u>
At 31 <sup>st</sup> Mar 2012	<u>215,896</u>	<u>16,448</u>	<u>31,355</u>	<u>38,759</u>	<u>14,534</u>	<u>316,992</u>
<b>Net book values</b>						
At 31 <sup>st</sup> Mar 2012	<u>-</u>	<u>10,699</u>	<u>2,068</u>	<u>1,694</u>	<u>2,483</u>	<u>16,944</u>
At 31 <sup>st</sup> Mar 2011	<u>-</u>	<u>1,398</u>	<u>2,662</u>	<u>2,181</u>	<u>3,197</u>	<u>9,438</u>

\*There are no assets held under finance lease

**Notes to the financial statements  
for the year ended 31<sup>st</sup> March 2013**

**11 Trade and other receivables**

	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>
Trade receivables	15,274	45,236
VAT receivable	-	442,196
Grants receivable	117,030	81,203
Prepayments	<u>80,704</u>	<u>51,747</u>
	<u>213,008</u>	<u>620,382</u>

Grant receivable includes money spent in the financial year which is still outstanding from Invest Northern Ireland of £83,219 (2011-12: £7,458), Creative Skillset £33,569 (2011-12: £nil) and other £242 (2011-12: £73,735).

**12 Cash and cash equivalents**

	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>
At 1 <sup>st</sup> April 2012	1,259,494	771,265
Net change in cash and cash equivalent balances	<u>(477,085)</u>	<u>488,229</u>
At 31 <sup>st</sup> March 2013	<u>782,409</u>	<u>1,259,494</u>
	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>
Represented by:		
Cash at bank and in hand	<u>782,409</u>	<u>1,259,494</u>

Northern Ireland Screen is responsible for distributing Lottery funds under the Lottery Film Funding Programme. Cash and cash equivalents includes a balance of funds held by the company for distribution under this programme. As at 31<sup>st</sup> March 2013 the balance held was £112,500 (2011-12: £153,785). The Lottery Film Funding Programme is summarised in note 14.

Cash balances include £593,965 (2011-12: £1,089,879) in relation to the Ulster-Scots Broadcasting Fund which will be spent in 2013/14. Cash balances represent deposits held in commercial banks.

**Notes to the financial statements  
for the year ended 31<sup>st</sup> March 2013**

**13 Trade and other payables**

	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>
Trade creditors	482	124,999
VAT	24,000	-
Accruals and deferred income - non-Lottery	858,084	1,595,595
Deferred Income - Lottery funds	<u>112,500</u>	<u>153,818</u>
	<u>995,066</u>	<u>1,874,412</u>

Accruals and deferred income includes monies received from Invest Northern Ireland (£85,494; 2011-12: £74,190), recoupment funds (£12,874; 2011-12: £81,460), Ulster-Scots Broadcast Fund (£593,965; 2011-12: £1,089,879), Creative Skillset (£21,026; 2011-12: £nil) and Lottery funds (£112,500; 2011-12: £153,817). These monies have been treated as deferred income as the relevant event which would allow them to be treated as income has not yet occurred. In most cases the 'relevant event' is the payment of funding to one of the projects supported by the commission.

**14 National Lottery Film Funding Programme**

Northern Ireland Screen is responsible for distributing Lottery funds under the Lottery Film Funding Programme. A summary of these funds is below.

	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>
Funds held at start of year	153,785	188,111
Lottery funds received during the year	604,798	556,463
Awards paid	(597,083)	(554,166)
Administration costs	<u>(49,000)</u>	<u>(36,623)</u>
Funds held at end of year	<u>112,500</u>	<u>153,785</u>

**Notes to the financial statements  
for the year ended 31<sup>st</sup> March 2013**

**15 Commitments under operating leases**

At 31<sup>st</sup> March 2013 the company had one outstanding commitment under non-cancellable operating leases:

	2013		2012	
	Land and Buildings	Other	Land and Buildings	Other
	£	£	£	£
Expiring:				
Within one year	-	3,838	-	-
Between one and five years	-	<u>13,751</u>	-	-
	-	<u>17,589</u>	-	-

**16 Related party transactions**

Directors declare any interest in successful applications to the Commission and commercial relationships with the Commission.

The following payments were made by Northern Ireland Screen to related party organisations.

Organisation	Name	Relationship to Recipient organisation	£
Belfast Film Festival	Laurence McKeown	Director	144,750
Mammoth Screen Ltd	James Penny	Director	31,000

Northern Ireland Screen is a Non-Departmental Public Body (NDPB) sponsored by the Department of Culture, Arts and Leisure (DCAL). DCAL is regarded as a related party. During the year, Northern Ireland Screen Commission had various material transactions with the Department.

**17 Film award payments**

The company made the following film award payments during the year:

	2013	2012
	£	£
Lottery	597,083	554,166
Irish Language Broadcast Fund	2,515,444	2,492,134
Ulster-Scots Broadcasting Fund	1,412,336	819,975
Northern Ireland Screen Fund	<u>7,129,495</u>	<u>5,881,801</u>
	<u>11,654,358</u>	<u>9,748,076</u>

**Notes to the financial statements  
for the year ended 31<sup>st</sup> March 2013**

**18 Production Awards contracted**

	Unpaid contracts as at 1 <sup>st</sup> April 2012	Contracts awarded in year	Contract payments in year	Unpaid contracts as at 31 <sup>st</sup> March 13
	£	£	£	£
Lottery Film Funding Programme	365,943	791,104	597,083	559,964
Northern Ireland Screen Fund	687,318	6,954,891	7,129,495	512,714
Ulster-Scots Broadcasting Fund	419,725	1,748,677	1,412,336	756,066
Irish Language Broadcast Fund	<u>2,639,813</u>	<u>1,265,217</u>	<u>2,515,444</u>	<u>1,389,586</u>
	<u>4,112,799</u>	<u>10,759,889</u>	<u>11,654,358</u>	<u>3,218,330</u>

Northern Ireland Screen is responsible for distributing Lottery funds under the Lottery Film Funding Programme. The programme is summarised in note 16. Northern Ireland Screen Fund receives funding during the year from Invest Northern Ireland. A balance of £85,494 is included as deferred income within trade and other payables. Irish Language Broadcast Fund and the Ulster-Scots Broadcast Fund are funded during the year by the Department for Culture, Media and Sport (DCMS) through BFI.

**19 Capital commitments**

At 31 March 2013 authorised future capital expenditure amounted to £Nil (2012: £Nil). The company has no capital commitments at 31 March 2013 (2012: £Nil)

**20 Losses and special payments**

There were no losses or special payments during the year ended 31 March 2013.

**21 Off-payroll payments**

There were no off-payroll payments in excess of £58,200 per annum in place at 31 March 2013.

**22 Events after the reporting date**

There were no events after the reporting date which would require adjustment to the financial statements.

**Date of authorisation for issue**

The Accounting Officer authorised the issue of these financial statements on 19<sup>th</sup> December 2013