

Northern Ireland Screen Commission  
Registration Number NI 031997

**Northern Ireland Screen Commission**  
**Annual Report and Financial Statements**  
**for the year ended 31 March 2014**

### Company Information

Directors	Rotha Johnston (Chairwoman appointed June 2013) Richard Hill (resigned May 2013) Brian McMahon (resigned June 2014) Maurice Hayes (resigned Sept 2013) Tim McKane James Penny Michael Catto Adeline Dinsmore Jennifer Johnston Michael Kuhn Fiona MacMillan Aódán MacPóilin Laurence McKeown Ian Parsley Sinead McCartan (appointed June 2014)
Secretary	Richard Williams
Company Number	NI 031997
Organisation Status	Northern Ireland Screen was classified by ONS as a Non Departmental Public Body in January 2012 as per the Public Sector Classification Guide and the National Accounts Classification Decisions reports on the ONS website.
Registered Office	Alfred House 21 Alfred Street Belfast BT2 8ED
Auditors	Comptroller and Auditor General Northern Ireland Audit Office
Bankers	Danske Bank First Floor Donegall Square West Belfast BT1 6JS

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## **Strategic Report for the year ended 31 March 2014**

### **History and 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 Department of Culture, Arts & Leisure (DCAL) is the government sponsor department for Northern Ireland Screen. The primary funders are Invest Northern Ireland, DCAL, and the British Film Institute (BFI) as a conduit for the Department of Culture, Media and 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.

Northern Ireland Screen is a company limited by guarantee, currently governed by a Board of 12 Directors and employing 27 staff. The organisation is the government-backed lead agency in Northern Ireland for the film, television and digital content industry, driving global growth through boosting our economy, celebrating our culture and enhancing our children's education.

This report covers the fourth and final year of Northern Ireland Screen's 4 year strategy *Driving Global Growth*. The screen industry in Northern Ireland continued to grow and achieve significant success in 2013-14 against a difficult economic backdrop.

### **Review of business with Key Performance Indicators**

In pursuit of its mission, to accelerate the development of a dynamic and sustainable screen industry and culture in Northern Ireland, Northern Ireland Screen provided focused intervention in eight key areas:

- Filming in Northern Ireland;
- Investment and Funding;
- Business and Skills;
- Irish Language Broadcasting Fund;
- Ulster-Scots Broadcasting Fund;
- Education;
- Archive and Exhibition; and
- Marketing and Information.

Total comprehensive expenditure for the year was £4,427 (2013: £12,210).

**Strategic Report (cont)**  
**for the year ended 31 March 2014**

The Screen Fund was designed to boost and grow the production sector in Northern Ireland and continued to perform well against its economic targets. The fund contributed to the dual key elements of the strategy: the pursuit of large-scale external projects and the continued support of local content projects.

Most encouragingly Northern Ireland continues to be alive with interesting and successful screen projects: *Line of Duty* filmed here last year and starring Adrian Dunbar, has been a tremendous critical success on television, and *Starred Up*, filmed exclusively at Crumlin Road prison, has opened strongly at UK cinemas. DoubleBand's *ROAD* opened Belfast Film Festival, and Flickerpix's *5 Fables*, featuring Seamus Heaney and Billy Connolly, has attracted admirers from far and wide. *Game of Thrones* completed season 4 production within this financial year and has started early prep on season 5. Season 4 is enjoying even more success during its broadcast run on Sky in April and May 2014 and the buzz around *The Fall* starting back in production extends far beyond Northern Ireland.

Skills remain key to the growth of the sector within Northern Ireland. As outlined in *Driving Global Growth*, Northern Ireland Screen has prioritised modern apprenticeships over the past four years. In 2013-14 the organisation employed 48 new entrant trainees across Aim High 2, *Game of Thrones*, local drama, VFX, post production and the Irish Language sector. Skills requirements were identified in conjunction with BBC, Creative Skillset, HBO and other industry representatives. Percentage targets for the number of crew sourced locally on supported projects were not achieved but this was because the overall sector expanded further and faster than projected, meaning that while the percentage targets were not achieved, the overall number of people employed far exceeded projections.

The Irish Language Broadcast Fund (ILBF) and the Ulster-Scots Broadcast Fund (USBF) continued to contribute strongly to both the economic and cultural value of the screen industries in Northern Ireland. Both funds are supported by the Department of Culture, Media and Sport (DCMS) through the British Film Institute (BFI). The ILBF continued to exceed its targets both through production and through the training programmes to develop the skills in the sector. The ILBF supported 63 hours of television including 4 hours of local drama. The USBF supported more than 13 hours of high quality landmark documentary television in 2013-14.

Northern Ireland Screen's education work continued to grow in impact. Through this work the organisation is committed to the implementation of the DCAL learning strategy, particularly in relation to the work being done to support formal and informal learning. The Creative Learning Centres exceeded their targets for the year and the extended funding programmes developed in 2013-14 started to deliver services to rural and hard to reach areas. The After School Film Clubs continued to focus on extended service schools and young people experiencing disadvantage. There were 264 film clubs operating throughout Northern Ireland during 2013-14.

The Digital Film Archive (DFA) is currently located in 23 sites across Northern Ireland, including museums, libraries and art centres. The DFA outreach programme aims to reach the marginalised in the community and was particularly strong in delivering quality social engagement for the elderly.

**Strategic Report (cont)**  
**for the year ended 31 March 2014**

Northern Ireland Screen continues to market Northern Ireland as a world wide production location; selling the funds and facilities; promoting the product and talent and communicating the success stories. Marketing continued to play an important strategic role within Northern Ireland Screen and remains a fundamental part of the business, supporting the various departments to achieve the overall company objectives.

The new *Opening Doors* strategy was launched by Minister Foster on 31<sup>st</sup> March 2014 with a significantly increased funding package. *Opening Doors* is a four year strategy designed to make the Northern Ireland screen industry the strongest in the UK and Ireland outside of London. The region is currently enjoying its highest ever profile within the global screen industry. The Strategy commits to pursuing a mixed economy for the screen industry, continuing to attract large-scale production but equally supporting animation, games, factual television, television drama and indie film. In all sectors the exclusive drive is to increase the connection of companies with international markets beyond the UK and Ireland. The Strategy also seeks to maximise the opportunities created by the new UK tax credits for animation, high-end television drama and gaming.

While *Opening Doors* identifies a very long list of challenges ahead for the screen industries in Northern Ireland, the platform provided by the success of projects in the period up to March 2014 makes it much easier to find the momentum necessary to address those challenges.

The likely securing of *SEPIA*, a large-scale cross-over project financed by Microsoft and produced by Scott Free and Generator 117 Limited, is also an excellent first project for the new Strategy.

**Strategic Report (cont)**  
**for the year ended 31 March 2014**

Activity	Performance Indicators in Operating Plan 2013-14	Performance Indicators at 31 <sup>st</sup> March 2014
<p><b>Screen Fund</b> Overall Input/Output Ratio</p> <p>Overall return from Screen Fund</p> <p>Large-scale production (over \$40million)</p> <p>Skills</p>	<p>6.22:1</p> <p>£31,669 million</p> <p>Secure Game of Thrones or alternative in 2013</p> <p>Net additional Gross Value Added years 2013-14 3.04:1 £15,479m</p> <p>70% of crew resident in NI</p> <p>60% of Heads of Department resident in NI</p>	<p>Currently 8.31:1</p> <p>Currently £45,939m</p> <p>2 large-scale productions secured – <i>Game of Thrones</i> series 4 &amp; <i>Dracula Year Zero</i></p> <p>3.99:1 £22,050m</p> <p>2013-14 YTD 53% Accumulated 2010-14 61%</p> <p>2013-14 YTD 45% Accumulated 2010-14 49%</p>
<p><b>Education</b> Creative Learning Centres (CLCs)</p> <p>Extended funding programmes delivering to rural and hard to reach areas</p> <p>After School Film Club</p>	<p>1,970 teachers per year involved in all programmes</p> <p>4,500 young people involved in all programmes inside and outside school</p> <p>New targets for 2013-14 to tackle poverty and social exclusion include % of extended and neighbourhood renewal schools reached: Nerve Centre 70% Nerve Belfast 70% Amma Centre 70%</p> <p>300 schools running Film Clubs exclusively in areas of poverty and social exclusion</p>	<p>5,431 teachers involved</p> <p>6,920 young people involved</p> <p>CLC activity directed toward reducing poverty and social exclusion</p> <p>Nerve Centre 89% Nerve Belfast 76% Amma Centre 74%</p> <p>Currently 264 schools are signed up to Film Club</p>
<p><b>Exhibition:</b> QFT, Belfast Film Festival, Cinemagic, Foyle Film Festival and Creative Arts Initiative</p>	<p>Foyle to deliver 90% of Education programme to extended schools</p> <p>BFF to deliver 40% of screenings to areas of poverty and social exclusion</p>	<p>96% of Education programme delivered to extended schools</p> <p>45% of activity delivered to areas of poverty and social exclusion</p>
<p><b>Irish Language Broadcast Fund</b></p>	<p>60 hours television broadcast to 25,000+ people in NI</p> <p>Support 2 trainee producers, 2 trainee editors, 2 trainee camera operators</p> <p>Support 6 new entrant trainees</p>	<p>63 hours of television broadcast</p> <p>3 trainee producers, 3 trainee editors and 1 trainee camera operator supported in year</p> <p>6 new entrants currently in training</p>
<p><b>Ulster-Scots Broadcast Fund</b></p>	<p>Deliver 12 hours of Ulster-Scots programming</p> <p>90% broadcast within 6 months of delivery</p>	<p>13 hours of programming commissioned</p> <p>100% of programming has been broadcast within 6 months of delivery</p>
<p><b>Outreach</b> Digital Film Archive</p>	<p>40 presentations: targeting specific areas/groups</p>	<p>58 presentations delivered in year of which 51 targeted specific areas/groups</p>

**Strategic Report (cont)**  
**for the year ended 31 March 2014**

**Principal risks and uncertainties**

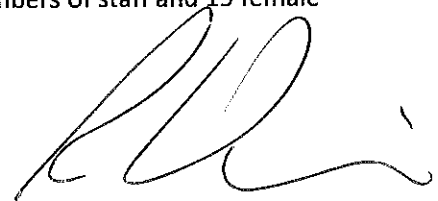
The principal risks and uncertainties facing Northern Ireland Screen during the year were identified as follows:

- The company carried a significant funding risk throughout the year which was addressed to a large extent by the agreed funding package of £42m from Invest NI over 4 years, following the economic appraisal of the *Opening Doors* strategy. While there remains some uncertainty over the funding beyond 2015-16 for the ILBF and USBF the one year extension alleviates the immediate risk. Funding from Department of Culture, Arts and Leisure (DCAL) will continue on a one-year allocation basis with future uncertainty around the new Comprehensive Spending Review (CSR) period in 2015-16.
- With a new Strategy with stretching ambition and targets, the risk of the organisation not achieving against performance targets has been highlighted as an area of focus for the coming year.
- The staff issues associated with terms and conditions were resolved following approval from Department of Finance and Personnel (DFP) to implement the changes required to bring the terms and conditions into line with other non departmental public bodies.

For details on how Northern Ireland Screen deals with risk and uncertainties please see the Governance Statement.

**Composition of workforce**

As at 31 March 2014 the workforce was comprised of 6 male members of staff and 19 female members of staff (2013: 6 male and 20 female).



R Williams  
28 August 2014



**Directors' Report  
for the year ended 31 March 2014**

The Directors who served during the year and up to the date of this report are as follows:

Rotha Johnston (Chairwoman – appointed June 2013)	Brian McMahon (Vice Chair – resigned May 2013)	Tim McKane
Richard Hill (Chairman – resigned May 2013)	James Penny	Michael Kuhn
Maurice Hayes (resigned Sept 13)	Jennifer Johnston	Michael Catto
Laurence McKeown	Fiona MacMillan	Aódán MacPóilin
Adeline Dinsmore	Ian Parsley	Sinead McCartan (appointed June 2014)

**Result for the year**

Total comprehensive expenditure for the year was £4,427 (2013: £12,210).

**Sickness absence**

The sickness absence rate for the year was 3.22% (2013: 3.5%). This is a decrease on the previous 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.

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 2014 is less than 10 days.

**Risk**

The principal risks and uncertainties facing Northern Ireland Screen during the year are outlined in the Strategic Report. The management of risks and uncertainties is set out in the Governance Statement.

**Directors' Report (cont)  
for the year ended 31 March 2014**

**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 necessary steps 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 operated a defined contribution scheme within the year which was closed on 31 March 2014. It introduced NILGOSC (Northern Ireland Local Government Officers' Superannuation Committee) from 1 April 2013. NILGOSC is a final salary contracted out occupational pension scheme. The pension costs charged in the financial statements represent the contributions payable by the company during the year. The market value of Northern Ireland Screen's share of the NILGOSC pension scheme's assets at 31 March 2014 were £99,000 and the organisation's share of the scheme recorded net pension liabilities at 31 March 2014 was £11,000.

**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. In making this assessment, the Directors have considered the availability of future funding and have also prepared detailed budgets and forecasts.

The company's funding position is outlined in further detail in the Strategic Report on page 5.

**Conflicts of interest**

Directors declare any interest in successful applications to the Commission and commercial relationships with the Commission (see note 16).

**Auditor's remuneration**

See note 4 in accounts for details of auditor's remuneration.



**Richard Williams  
28 August 2014**

### **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. The appointment of eight Board members in February 2012 was for staggered terms to ensure the future continuity of the Board. Five Board members were appointed for two years and three were appointed for four years. The Minister has the option to offer re-appointment for a further term. 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 noted on page 6.

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) are employed to ensure that the post is correctly loaded and graded. The grading of the post is reviewed before the appointment of a new Chief Executive and periodically as determined by DCAL or Northern Ireland Screen. Northern Ireland Screen liaise closely with DCAL throughout this process. DCAL provide advice and guidance as and when required. Northern Ireland Screen 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 and effective from 1 April 2013 the Northern Ireland Local Government Officers' Superannuation Committee (NILGOSC) defined benefit scheme.

**Remuneration report (cont)**

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

	2013-14			Total <sup>1</sup>	2012-13		
	Salary (including pension contributions)	Employer contribution to NILGOSC scheme	Employer contribution to defined contribution scheme		Salary (including pension contributions)	Employer contribution to defined contribution scheme	Total <sup>1</sup>
	£000	£000	£000		£000	£000	£000
Richard Williams <i>Chief Executive</i>	65-70	10-15	0-5	80-85	65-70	0-5	65-70
Richard Hill <i>Chair</i>	0-5 (5-10 full year equivalent)	-	-	0-5 (5-10 full year equivalent)	5-10	-	5-10
Rotha Johnston <i>Chair</i>	5-10 (5-10 full year equivalent)	-	-	5-10 (5-10 full year equivalent)	-	-	-
Brian McMahon <i>Vice Chair</i>	0-5 (0-5 full year equivalent)	-	-	0-5 (5-10 full year equivalent)	0-5	-	0-5

In addition, the following expenses were paid out:

Richard Hill received expenses of £391 (2012-13 £1,732)

Brian McMahon received expenses of £1,248 (2012-13 £2,669)

Laurence McKeown received expenses of £202 (2012-13 £nil)

Michael Kuhn received £1,073 (2012-13 £nil)

The accounts hold an accrual in respect of backdated remuneration to the Chief Executive for the years 08-09, 09-10, 10-11, 11-12, 12-13, 13-14 to the total value of £38,986. Discussions are ongoing between the Chief Executive, the Board and the department in respect of this matter.

<sup>1</sup>The value of pension benefits accrued during the year is calculated as (the real increase in pension multiplied by 20) plus (the real increase in any lump sum) less (the contributions made by the individual). The real increases exclude increases due to inflation or any increase or decreases due to a transfer of pension rights.

## Remuneration report (cont)

### 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 2012-13 or 2013-14.

### Bonuses

There were no bonuses accrued in 2013-14. Bonuses accrued in 2012-13 are based on performance levels attained and were made as part of the appraisal process. Bonuses relate to the performance in the year in which they become payable to the individual.

### Median Report

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

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

Total remuneration includes salary, performance pay and bonuses. It does not include employer pension contributions and the cash equivalent transfer value of pensions. Total remuneration is calculated on an annualised basis to remove any fluctuations caused by employee turnover, which do not reflect changes in pay policy.

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

The ratio is calculated as follows:

$$\frac{\text{Midpoint in highest paid director's pay band}}{\text{Median remuneration of Northern Ireland Screen's staff}}$$

The banded remuneration of the highest-paid employee/ Accounting Officer in the financial year 2013-14 was £65-70k (2012-13 £65-70k). This was 2.5 times (2012-13 2.73times) the median remuneration of the workforce, which was £26,260 (2012-13 £24,177).

**Remuneration report (cont)**

**Northern Ireland Screen Pensions**

The company operated a defined contribution scheme within the year which ended in March 2014. It introduced NILGOSC pension scheme at the end of the year effective from 1 April 2013. This is a funded scheme which provides benefits on a "final salary" basis at a normal retirement age of 65. Benefits accrue at the rate of 1/60<sup>th</sup> of pensionable salary for each year of service. In addition, a tax free lump sum may be payable on retirement. Members pay contributions of between 5.5% and 7.5% of pensionable earnings.

The NILGOSC scheme is a multi-employer defined benefit scheme which provides members of participating employers with the benefits related to pay and services at rates which are defined under statutory regulations. To finance these benefits assets are accumulated in the scheme and are held separately from the assets of the employers. The scheme is funded by employers participating in the NILGOSC scheme who pay contributions at rates determined by an independent professionally qualified actuary on the basis of regular valuations using the projected unit credit method.

	<b>2013-14</b>	<b>2012-13</b>
	£	£
Employer's Contribution	171,149	37,477

**Pension Entitlements (subject to audit)**

	Accrued pension at pension age as at 31 March 2014 and related lump sum £000	Real increase in pension and related lump sum at pension age £000	CETV at 31 March 2014 £000	CETV at 31 March 2014 £000	Real increase in CETV £000	Employer contribution to partnership pension account £000
Richard Williams Chief Executive	0-5 (no lump sum)	0-2.5 (no lump sum)	-	12	12	-

**Cash Equivalent Transfer Values**

A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which disclosure applies. The CETV figures, and from 2003-04 the other pension details, include the value of any pension benefit in another scheme or arrangement which the individual has transferred to the pension arrangements. They also include any additional pension benefit accrued to the member as a result of their purchasing additional years of pension service in the

**Remuneration report (cont)**

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 benefits resulting from Lifetime Allowance Tax which may be due when pension benefits are taken.

**Real increase in CETV**

This reflects the increase in CETV effectively funded by the employer. It does not include the increase in accrued pension due to inflation, contributions paid by the employee (including the value of any benefits transferred from another pension scheme or arrangement), and uses common market valuation factors for the start and end of the period.

**Exit Packages**

No Directors of Northern Ireland Screen received any compensation for loss of office during the year.



**Richard Williams**  
**28 August 2014**

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

Under the The Companies (Public Sector Audit) Order (Northern Ireland) 2013, the Department of Culture, Arts and Leisure 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 basis.

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**  
**28 August 2014**



**Governance Statement  
for the year ended 31 March 2014**

**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 finances of Northern Ireland Screen.

**Compliance with Corporate Governance Best Practice**

The publication, in April 2013, of the Corporate Governance in Central Government Departments: Code of Good Practice NI and its requirement for an effective Board which provides leadership for the business, helping it to operate in a business-like manner, advising on strategic and operational issues affecting the performance of the organisation and its function to scrutinise and challenge organisational policies and performance, whilst not mandated for Non Departmental Public Bodies (NDPBs), has been adopted in large part by Northern Ireland Screen with a view to identifying what measures can be taken to enhance current governance arrangements.

Northern Ireland Screen's compliance with the Corporate Governance in Central Government Departments: Code of Good Practice NI was the subject of an internal audit review in 2013. The review examined Northern Ireland Screen's compliance with sections 2, 3, 4 and 5 of the code which were deemed the most relevant to an NDPB. The outcome of the review was a satisfactory rating with exceptions. A priority 1 issue relating to the Board and Finance and Audit Committee lacking a current member with a relevant financial qualification was raised, this has now been addressed. A suitably qualified staff member from DCAL (Northern Ireland Screen's sponsor department) has agreed to act as a non-executive Board member until the recruitment process for the vacant Board member position has been completed.

**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 Executive adhere to the Management Statement and Financial Memorandum agreed between DCAL and Northern Ireland Screen.

**Governance Statement (cont)**  
**for the year ended 31 March 2014**

The Board, in its role of supporting the Accounting Officer, has corporate responsibility for ensuring that Northern Ireland Screen fulfils the aims and objectives set by DCAL and Invest NI as approved by their respective Ministers and for promoting the efficient, economic and effective use of staff and other resources.

The Board advises on five main areas:

- **Strategic Clarity:** guidance and advice on strategic and operational issues affecting the organisation's performance ensuring that decisions are based on a collective understanding of policy issues and that the organisation and its executive are challenged on the outcomes;
- **Commercial Sense:** responsible for ensuring sound financial management and overseeing the allocation of financial and human resources to achieve organisational objectives;
- **Talented People:** ensuring that the organisation has the capability to deliver and to plan to meet current and future needs;
- **Results Focus:** the Board has responsibility to agree the operational plan including the strategic aims and objectives as well as monitoring and steering performance against the plan; and
- **Management Information:** guidance and advice on the quality of information available to ensure clear and consistent information is available to drive organisational improvements.

The Board also has overall responsibility for ensuring a robust risk management process is established and maintained.

**Governance Statement (cont)  
for the year ended 31 March 2014**

**Board Membership**

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

Rotha Johnston - Chairwoman (appointed June 2013)	Richard Hill (resigned May 2013)
Brian McMahon – Vice Chair (resigned June 2014)	Michael Catto
Fiona MacMillan	Maurice Hayes (resigned Sept 2013)
Michael Kuhn	Adeline Dinsmore
James Penny	Tim McKane
Laurence McKeown	Aódán Mac Póilin
Jennifer Johnston	Ian Parsley
Sinead McCartan (appointed June 2014)	

**Board Attendance in 2013-14:**

	31.5.13	19.6.13	27.9.13	24.1.14	31.3.14
Rick Hill	✓				
Rotha Johnston		✓	✓	✓	✓
Brian McMahon	✓	X	✓	✓	X
Michael Catto	✓	✓	✓	✓	✓
Adeline Dinsmore	✓	✓	✓	✓	✓
Maurice Hayes	✓	✓			
Jennifer Johnston	✓	✓	✓	✓	✓
Michael Kuhn	✓	X	✓	✓	X
Fiona MacMillan	✓	✓	✓	✓	✓
Aódán Mac Póilin	✓	X	✓	✓	✓
Laurence McKeown	✓	✓	X	✓	✓
Tim McKane	✓	✓	✓	✓	✓
Ian Parsley	✓	X	✓	✓	X
James Penny	✓	✓	✓	✓	✓

Rick Hill's term of office as Chair expired on 31<sup>st</sup> May 2013; Rotha Johnston was appointed as Chair of the Board in June 2013. One Board member, Maurice Hayes, retired from the Board in September 2013.

**Governance Statement (cont)**  
**for the year ended 31 March 2014**

The Board of Northern Ireland Screen is required to review its effectiveness annually with the most recent review undertaken in January 2014. A number of areas for development were identified and it was agreed that an area for concern was the lack of a current member with a relevant financial qualification. In response DCAL, in agreement with Northern Ireland Screen, appointed a non-executive Board member with a financial qualification. The appointment is effective from 4<sup>th</sup> June 2014 until the completion of the external Board recruitment process.

Members also agreed that for 2014-15 the Finance and Audit Committee should be replaced by an Audit and Risk Committee and a Strategic Resources Committee, reflecting best practice in separation of duties. The introduction of further expertise in the area of digital could be beneficial and it was proposed to form a sub-group to explore this area further. The presentation of Board papers is to be refreshed.

In each year, the Chair of Northern Ireland Screen undertakes individual Board member appraisals, the results of which are submitted to Northern Ireland Screen's sponsor department, DCAL.

Board members are required to complete Conflicts of Interest declarations annually and a Board Member's Register of Interests is updated when appropriate or at the very least annually.

The quality of data is considered by Board members to be substantial. Papers distributed to the Board in advance of meetings include:

- Agenda;
- Minutes from previous meeting;
- Management accounts for period;
- CEO report to the Board;
- Corporate Risk Register;
- Performance Indicator Report for period; and
- Miscellaneous reports as required by the Committee.

Board members have sufficient opportunity to challenge the quality of papers issued to them.

**Committees of the Board**

Northern Ireland Screen's Board may determine that certain aspects of its powers and responsibilities will be exercised by Committees. The composition, terms of reference and reporting requirements of the Committees will be determined by the Board. The Board receives updates from each Committee chair at the quarterly Board meetings.

Committees do not have decision making powers except in the case of the Lottery Heads of Department Committee, the Investment Committee, the ILBF and Ulster-Scots Broadcast Fund Investment Committees.

**Governance Statement (cont)  
 for the year ended 31 March 2014**

**Finance and Audit Committee**

The Board of Northern Ireland Screen has established a Finance and Audit Committee to support them in their responsibilities for issues of risk control and governance. The Committee consists of 4 non-executive Board members and is tasked with 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 Committee Chair, after each meeting, reports to the Accounting Officer and Board summarising the business undertaken by the Committee and offers views and advice from the Committee on issues on which they consider the Accounting Officer and Board should be taking action.

The Finance and Audit Committee prepares an annual report to support the preparation of the Governance Statement. The report details the membership of the Committee and their attendance at meetings throughout the year and also lists member's declared conflicts of interest.

An overview of Committee business in the year covering the discharge of the Committee responsibilities, their remit on risk management and corporate governance and key actions is also included.

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

- The strategic processes for risk, control and governance;
- 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; and
- Review of its own effectiveness which is periodically reviewed by internal audit.

**Finance & Audit Committee Attendance in 2013-14:**

	31.5.13	27.9.13	24.1.14	31.3.14
Brian McMahon	✓	✓	✓	X
Laurence McKeown	✓	X	✓	✓
Fiona MacMillan	✓	✓	✓	✓
Adeline Dinsmore	✓	✓	✓	✓

**Governance Statement (cont)  
 for the year ended 31 March 2014**

**Investment 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; and
- 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 2014 and have reported on their activities to the Board of Northern Ireland Screen at each quarterly Board meeting.

**Investment Committee Attendance 2013-14:**

	2.5.13	30.5.13	7.8.13	14.10.13	22.11.13	24.1.14	26.2.14	13.3.14
Michael Kuhn	✓	✓	✓	✓	✓	✓	✓	✓
James Penny	x	✓	✓	✓	x	✓	✓	x
Mike Catto	✓	✓	✓	✓	✓	✓	✓	✓
Tim McKane	✓	✓	x	✓	✓	✓	✓	✓

**Governance Statement (cont)  
for the year ended 31 March 2014**

**The Management Team of Northern Ireland Screen**

The Chief Executive may delegate the day-to-day administration of his responsibilities to the Senior Management Team (SMT) in Northern Ireland Screen; this core team is comprised of specialists from within the industry.

The SMT will take responsibility for delivering objectives and managing the day-to-day performance of specified teams within Northern Ireland Screen. SMT members may deputise for the Chief Executive as and when appropriate. The SMT also assist in the development of Northern Ireland Screen's policy and strategy and they report regularly to the Board through the Chief Executive at regular Board meetings.

**Business Planning**

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 organisation consults with DCAL and Invest NI on the preparation of its corporate Strategy.

The Strategy sets out Northern Ireland Screen's key objectives and associated performance indicators and targets relating to the period of the Strategy. There is also a review of Northern Ireland Screen's performance during the previous Strategy which focuses on achievements and returns on performance. A forecast of expenditure and income for the Strategy period is included.

The Strategy is approved by Invest NI and the Department for Trade and Investment (DETI) and the organisation's sponsor department.

The annual Operating Plan is also prepared in consultation with DCAL and Invest NI and is submitted to DCAL for Ministerial approval by 1 March each year. The annual plan includes key targets and milestones for the year and is linked to budgeting information to facilitate resource allocation by both DCAL and Invest NI.

Quarterly performance indicator reports are submitted to DCAL and Invest NI and are discussed at departmental accountability meetings and at all Northern Ireland Screen Board meetings.

The 4 year Strategy and annual Operating Plan are available on Northern Ireland Screen's website.

Business cases and post project evaluations are completed.

**Governance Statement (cont)  
for the year ended 31 March 2014**

**Risk Management**

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.

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. Key risks identified at 31<sup>st</sup> March 2014 were the availability of Invest NI funding in 2014-15 against the full value of the Letter of Offer and the expected demand for support does not arise or does not arise in the manner identified in the Strategy, impacting on the economic return and the range of areas supported.

In addition, when the Board meets they review management accounts presented to them. DCAL are also in attendance at Board meetings.

The Accounting Officer of Northern Ireland Screen acknowledges, through the completion of the Quarterly Assurance Statement, responsibility for maintaining a sound system of internal governance 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 Annual Board Assurance Statement is completed by the Chair of the Board and submitted to DCAL for review/comment. This document is designed to document the collective corporate responsibility of the Board to manage risk to a reasonable level but is not designed to eliminate all risk to achieve policies, aims and objectives; therefore it can only provide reasonable and not absolute assurance of effectiveness.

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 governance firmly with Northern Ireland Screen's ability to fulfil its business objectives.



**Governance Statement (cont)  
for the year ended 31 March 2014**

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. In 2013-14 there were no incidents of actual or suspected fraud identified. Staff are aware of, and have received, relevant training in respect of fraud, whistleblowing 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.

**Governance and Accountability within Northern Ireland Screen**

The greatest level of assurance that Northern Ireland Screen's governance processes are working effectively will be obtained through a fully embedded risk management process. The regular review and reporting of risks and governance activity provides a second level of assurance. Reviews by internal and external audit provide an independent assurance that the 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 governance system 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 governance;
- 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;

**Governance Statement (cont)  
for the year ended 31 March 2014**

- 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 governance for the year;
- Public sector audit report by Comptroller and Auditor General (C&AG) to the Finance and Audit Committee and the Board of Northern Ireland Screen on material issues relating to the financial statements, and provision of an opinion on whether the financial statements give a true and fair view of the affairs of the company; and
- Periodic reviews of the Risk Register by the Chief Executive and Head of Finance and also by the Board and 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.

**Sources of Independent Assurance**

Internal Audit is responsible for providing opinions regarding the adequacy and effectiveness of Northern Ireland Screen's system of internal governance. It adopts 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 May 2013, reference DAO (DFP) 07/13.

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:

<b><u>Internal Audit Review</u></b>	<b><u>Rating</u></b>
• Review of Financial Controls	Substantial
• Review of Corporate Governance	Satisfactory with exceptions
• Review of Human Resources Operational Arrangements	Satisfactory

The Internal Audit Annual Report shows an overall satisfactory level of assurance at the year end.

**Governance Statement (cont)  
for the year ended 31 March 2014**

**External Audit**

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 Controller and Auditor General (C&AG) has the legal authority to subject Northern Ireland Screen to a public sector audit by the C&AG from 2012-13 accounts onwards.

**Review of effectiveness of the System of Corporate Governance**

The Accounting Officer has responsibility for reviewing the effectiveness of the system of corporate governance. The review of the effectiveness of the system of corporate governance is informed by the work of the internal auditors. The comments made by the external auditors in their management letter and other reports also inform this review. The senior management team and senior staff have responsibility for the development and maintenance of the corporate governance framework. 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.

In 2013 Northern Ireland Screen's Accounting Officer's delegated limit was raised from £50k to £150k as a result of a risk assessment undertaken by DCAL which showed 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.

Overall, the system of corporate governance is considered to be effective.

**Governance Statement  
for the year ended 31 March 2014**

**Internal Governance Divergences 2013-14**

Update on Prior Control Issues which have now been resolved

Issues relating to changes to staff terms and conditions which were referenced in the 2012-13 Governance Statement were resolved prior to 31<sup>st</sup> March 2014.

Update on prior year control issues which continue to be considered as control issues

None.

Identification of new control issues in current year

The internal audit review of corporate governance raised a priority 1 issue relating to the Board and Finance and Audit Committee lacking a current member with relevant financial qualifications. In response DCAL, in agreement with Northern Ireland Screen, appointed a non-executive Board member with a financial qualification. The appointment is effective from 4<sup>th</sup> June 2014 until the completion of the external Board recruitment process.

As Accounting Officer of Northern Ireland Screen I am content that the public funds and organisational assets for which I am responsible are safeguarded and have been managed with propriety. The controls in place within the organisation support the achievement of Northern Ireland Screen's and the DCAL Minister's policies, aims and objectives.



R Williams  
28 August 2014

## **NORTHERN IRELAND SCREEN COMMISSION**

### **THE CERTIFICATE AND REPORT OF THE COMPROLLER AND AUDITOR GENERAL TO THE MEMBERS OF THE 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 2014 under the Companies (Public Sector Audit) Order (Northern Ireland) 2013. These comprise the Statement of Comprehensive Net Expenditure, Statement of Financial Position, Statement of Cash Flows, 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' 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 audit, 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 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 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 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 company's affairs as at 31 March 2014 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 Strategic Report and the 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

29 September 2014

Northern Ireland Screen Commission  
Registration Number NI 031997

**NORTHERN IRELAND SCREEN COMMISSION**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2014**

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**Statement of comprehensive net expenditure  
 for the year ended 31<sup>st</sup> March 2014**

	Note	2014 £	2013 £
<b>Expenditure</b>			
Staff costs	6	(889,077)	(683,388)
Depreciation	6	(6,082)	(7,097)
Other expenditure	6	(250,528)	(208,642)
Programme expenses	7	<u>(15,033,920)</u>	<u>(14,815,252)</u>
		(16,179,607)	(15,714,379)
<b>Income</b>			
Income from activities	5	16,166,680	15,610,669
Other income	5	<u>1,500</u>	<u>91,500</u>
		16,168,180	15,702,169
<b>Net expenditure</b>		<u>(11,427)</u>	<u>(12,210)</u>
<b>Other Comprehensive Net Expenditure</b>			
Actuarial gain		7,000	-
<b>Total Comprehensive Expenditure</b>		<u>(4,427)</u>	<u>(12,210)</u>

The notes on pages 35 to 54 form part of these financial statements.

**Statement of financial position  
as at 31<sup>st</sup> March 2014**

	<b>Note</b>	<b>2014</b>	<b>2013</b>
		<b>£</b>	<b>£</b>
<b>Non-current assets</b>			
Property, plant and equipment	<b>10</b>	3,765	9,847
<b>Current assets</b>			
Trade and other receivables	<b>11</b>	216,766	213,008
Cash and cash equivalents	<b>12</b>	<u>760,861</u>	<u>782,409</u>
<b>Total current assets</b>		977,627	995,417
<b>Total assets</b>		<u><b>981,392</b></u>	<u><b>1,005,264</b></u>
<b>Current liabilities</b>			
Trade and other payables	<b>13</b>	<u>(964,621)</u>	<u>(995,066)</u>
<b>Non-current assets plus net current assets</b>		<u><b>16,771</b></u>	<u><b>10,198</b></u>
<b>Non-current liabilities</b>			
Pension liabilities	<b>8</b>	<u>(11,000)</u>	<u>-</u>
<b>Total non-current liabilities</b>		<u><b>(11,000)</b></u>	<u><b>-</b></u>
<b>Assets less liabilities</b>		<u><b>5,771</b></u>	<u><b>10,198</b></u>
<b>Taxpayers' equity</b>			
General fund		<u>5,771</u>	<u>10,198</u>
<b>Total taxpayers' equity</b>		<u><b>5,771</b></u>	<u><b>10,198</b></u>

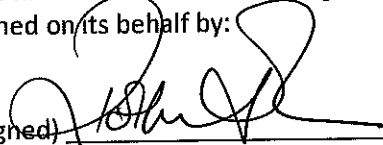
These financial statements have been prepared in accordance with the Government Financial Reporting Manual 2013-14 (FRM).


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.

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 financial position  
as at 31<sup>st</sup> March 2014 (cont)**

The financial statements on pages 30 to 54 were approved by the Board on 28 August 2014 and were signed on its behalf by:

(Signed)   
ROTHA JOHNSTON, CHAIRWOMAN

(Signed)   
AÓDÁN MACPÓILÍN, DIRECTOR

Date 28 August 2014

Date 28-8-14

The notes on pages 35 to 54 form part of these financial statements.

**Statement of cash-flows  
for the year ended 31<sup>st</sup> March 2014**

	<b>2014</b>	<b>2013</b>
	£	£
<b>Cash-flows from operating activities</b>		
Net expenditure	(11,427)	(12,210)
<b>Adjustments for non-cash transactions:</b>		
Depreciation	6,082	7,097
Adjustment for pension funding	<u>18,000</u>	<u>-</u>
Operating surplus/(deficit) before working capital changes	12,655	(5,113)
(Increase)/Decrease in trade and other receivables	(3,758)	407,374
(Decrease) in trade and other payables	<u>(30,445)</u>	<u>(879,346)</u>
<b>Net cash outflow from operating activities</b>	<b>(21,548)</b>	<b>(477,085)</b>
<b>Cash-flows from investing activities</b>		
Bank interest received	<u>-</u>	<u>-</u>
<b>Net cash inflow from investing activities</b>	<u>-</u>	<u>-</u>
<b>Decrease in cash and cash equivalents</b>	<b>(21,548)</b>	<b>(477,085)</b>
<b>Cash and cash equivalents at 1<sup>st</sup> April 2013 (Note 12)</b>	<b><u>782,409</u></b>	<b><u>1,259,494</u></b>
<b>Cash and cash equivalents at 31<sup>st</sup> March 2014 (Note 12)</b>	<b><u>760,861</u></b>	<b><u>782,409</u></b>

The notes on pages 35 to 54 form part of these financial statements.

**Statement of changes in taxpayers' equity**

	<b>General fund</b>
	<b>£</b>
Balance at 1 <sup>st</sup> April 2012	22,408
Changes in reserves for 2012-13	
Comprehensive expenditure for the year	(12,210)
Total recognised changes for the year	_____ -
Balance at 31 <sup>st</sup> March 2013	10,198
Changes in reserves for 2013-14	
Comprehensive expenditure for the year	<u>(4,427)</u>
<b>Balance at 31<sup>st</sup> March 2014</b>	<b><u>5,771</u></b>

The notes on pages 35 to 54 form part of these financial statements.

**Notes to the financial statements  
for the year ended 31<sup>st</sup> March 2014**

**1 Statement of accounting policies**

The financial statements are prepared in accordance with the Government Financial Reporting Manual 2013-14 (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.

**1.1 Accounting convention**

The financial statements are prepared under the historical cost convention.

**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 2014**

**1.4 Pensions**

The company operated a defined contribution scheme within the year which ended in March 2014. It introduced NILGOSC (Northern Ireland Local Government Officers' Superannuation Committee) at the end of the 2013-14 year effective from 1 April 2013. NILGOSC is a final salary contracted out occupational pension scheme. The pension costs charged in the financial statements represent the contributions payable by the company during the year. The pension costs are assessed in accordance with the advice of an independent qualified actuary using the market led approach. The latest actuarial valuations of the scheme were at 31 March 2014.

Pension scheme assets are measured using the market value. Pension scheme liabilities are measured using the projected unit method and discounted at the current rate of return on a high quality corporate bond of equivalent term to the liability. Actuarial gains and losses are recognised in the Statement of Comprehensive Net Expenditure.

**1.5 Incoming resources**

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

Grant income towards capital assets is 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.

**1.6 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.

**1.7 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.

**Notes to the financial statements  
for the year ended 31<sup>st</sup> March 2014**

**1.8 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 Northern Ireland 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.

**1.9 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 Northern Ireland 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.

**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



**Notes to the financial statements  
 for the year ended 31<sup>st</sup> March 2014**

**3 Incoming resources (cont)**

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>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
Income	16,070,963	14,778,502
Net expenditure	272,986	837,780
	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
Accruals	138,524	138,128
General reserve	266,815	815,372

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

	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
Depreciation of property, plant and equipment	6,082	7,097
Payments under operating leases	5,031	3,324
Fees payable to the company's auditor for the audit of the company's annual accounts	<u>9,000</u>	<u>6,500</u>

**Notes to the financial statements  
 for the year ended 31<sup>st</sup> March 2014**

**5 Income and Other income**

Funding Income	<b>2014</b>	<b>2013</b>
	£	£
Invest NI	7,633,776	8,062,843
DCAL – grant-in-aid	3,195,261	2,016,144
DCMS - BFI	4,349,540	4,495,914
Arts Council	706,745	646,083
Various funding Income	<u>281,358</u>	<u>389,685</u>
	<u>16,166,680</u>	<u>15,610,669</u>

Other Income	<b>2014</b>	<b>2013</b>
	£	£
Rent receivable	<u>1,500</u>	<u>91,500</u>

**6 Administrative expenses**

	<b>2014</b>	<b>2013</b>
	£	£
Staff costs	889,077	683,388
Premises expenses	92,175	77,120
Office overheads	94,022	63,374
Staff and Board expenses	<u>64,331</u>	<u>68,148</u>
	250,528	208,642
Depreciation	6,082	7,097

**Notes to the financial statements  
for the year ended 31<sup>st</sup> March 2014**

**7 Programme expenses**

	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
Northern Ireland Screen Fund	6,708,932	7,129,495
Ulster-Scots Broadcast Fund	1,174,537	1,455,914
Skills Development	533,142	504,383
Irish Language Broadcast Fund	2,903,446	2,890,000
Creative Learning Centres	1,374,999	803,927
Lottery Film Funding Programme	660,546	605,252
Third Party Organisations	596,500	455,300
Film Clubs	422,611	365,000
Development Activity	169,722	46,731
Production legal fees	86,787	82,445
Marketing and information	297,268	246,304
Education and Digital archive	65,430	48,147
Creative Industries Innovation Fund	40,000	40,000
Paint Hall rental and repairs	-	90,000
VAT on costs – change in ruling December 2012	-	<u>52,354</u>
	<u>15,033,920</u>	<u>14,815,252</u>

**8 Pension costs**

The company operated a defined contribution scheme (Aegon) within the year which ended in March 2014. The scheme and its assets are held by independent managers. NILGOSC (Northern Ireland Local Government Officers' Superannuation Committee) was introduced at the end of the year effective from 1 April 2013. NILGOSC is a final salary contracted out occupational pension scheme. Northern Ireland Screen makes employer contributions to NILGOSC which is a funded scheme of the defined benefit type. The fund is invested in suitable investments, managed by the Committee. For 2013-14 the contribution rates were 19% employers and ranging between 5.5% and 7.5% employees.

Results under IAS 19 can change dramatically depending on market conditions. The defined benefit obligation is linked to yields on AA-rated corporate bonds, while a significant proportion of the assets of the scheme are invested in equities. Changing markets in conjunction with discount rate volatility will lead to volatility in the funded status of the employer's balance sheet and in Other Comprehensive Income (OCI). It will also lead to volatility in the IAS 19 pension expense in the Statement of Comprehensive Net Expenditure.

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

**Notes to the financial statements  
for the year ended 31<sup>st</sup> March 2014**

**8 Pension costs (cont)**

and its employees to pay contributions into the Fund, calculated at a level intended to balance the pension liabilities with investment assets. The Fund Administering Authority, Northern Ireland Local Government Officers' Superannuation Committee is responsible for the governance of the Fund.

The pension charge represents contributions from the company amounting to £83,210 (2013 - £37,477) for AEGON and £87,939 for NILGOSC (2013 - £nil).

The employer's regular contributions to the Fund for the accounting period ending 31 March 2014 are estimated to be £90,000.

Additional contributions may also become due in respect of any employer discretions to enhance members' benefits in the Fund over the next accounting period.

**Assumptions**

The latest actuarial valuation of NI Screen's liabilities took place as at a April 2013. Liabilities have been estimated by the independent, qualified actuary on an actuarial basis using the projected unit credit method. The principal assumptions used by the actuary in updating the latest valuation of the employer's position for IAS 19 purposes were:

	31 March 2014	31 March 2013
Discount rate	4.3	4.5
RPI inflation	3.4	3.7
CPI inflation	2.4	2.8
Rate of increase to pensions in payment	2.4	2.8
Rate of increase to deferred pensions	2.4	2.8
Rate of general increase in salaries	3.9	5.2

for the year ended 31<sup>st</sup> March 2014

**8 Pension costs (cont)**

**Mortality assumptions**

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

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

<b>Males</b>	
Year of Birth base table	Standard SAPS Normal Health All Amounts (S1NMA)
Rating to above base table (years)	0
Scaling to above base table rates	110%
Improvements to base table rates	CMI 2012 with a long term improvement of 1.5% p.a.
Future lifetime from age 65 (aged 65 at accounting date)	22.1
Future lifetime from age 65 (aged 45 at accounting date)	24.3
<b>Females</b>	
Year of Birth base table	Standard SAPS Normal Health All Amounts (S1NFA)
Rating to above base table (years)	0
Scaling to above base table rates	110%
Improvements to base table rates	CMI 2012 with a long term improvement of 1.5% p.a.
Future lifetime from age 65 (aged 65 at accounting date)	24.6
Future lifetime from age 65 (aged 45 at accounting date)	26.9

**Commutation**

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

**Asset allocation**

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

**Notes to the financial statements  
for the year ended 31<sup>st</sup> March 2014**

**8 Pension costs (cont)**

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

	Asset split at 31 March 2014 (%)			Asset split at 1 April 2013 (%)
	Quoted	Unquoted	Total	
Equities	74.2	0.0	74.2	75.6
Property	0.0	11.2	11.2	7.7
Government bonds	5.9	0.0	5.9	10.9
Corporate bonds	6.1	0.0	6.1	0.5
Cash	2.6	0.0	2.6	4.7
Other*	0.0	0.0	0.0	0.6
<b>Total</b>	<b>88.8</b>	<b>11.2</b>	<b>100.0</b>	<b>100.00</b>

\* Other holdings may include hedge funds, currency holdings, asset allocation futures and other financial instruments. It is assumed that these will get a return in line with equities.

**Reconciliation of funded status to Statement of Financial Position**

	Value as at 31 March 2014 £000s	Value as at 1 April 2013 £000s
Fair value of assets	123	-
Present value of funded defined benefit obligation	134	-
Funded status	(11)	-
Impact of minimum funding requirement / asset ceiling	-	-
Asset / (Liability) recognised on the Statement of Financial Position	(11)	-

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

Active members	100%
Deferred pensioners	0%
Pensioners	0%

**Notes to the financial statements  
 for the year ended 31<sup>st</sup> March 2014**

**8 Pension costs (cont)**

**Breakdown of amounts recognised in profit and loss / Surplus or Deficit on the Provision of Services and Other Comprehensive Income (OCI)**

	Period ending 31 March 2014 £000s
<b>Operating cost</b>	
Current service cost <sup>(1)</sup>	108
Past service cost (incl. curtailments)	-
Settlement cost	-
<b>Financing cost</b>	
Interest on net defined benefit liability/(asset)	(2)
<b>Pension expense recognised in OCI</b>	<b>106</b>
<b>Re-measurements in OCI</b>	
Return on plan assets (in excess of) / below that recognised in net interest	(2)
Actuarial (gains)/losses due to changes in financial assumptions	(5)
Actuarial (gains)/losses due to changes in demographic assumptions	-
Actuarial (gains)/losses due to liability experience	-
<b>Total amount recognised in OCI</b>	<b>(7)</b>
<b>Total amount recognised</b>	<b>99</b>

<sup>(1)</sup> The current service cost includes an allowance for the administration expenses of £1,000.

**Notes to the financial statements  
for the year ended 31<sup>st</sup> March 2014**

**8 Pension costs (cont)**

**Changes to the present value of defined benefit obligation during the accounting period**

	Period ending 31 March 2014 £000s
Opening defined benefit obligation	-
Current service cost	108
Interest expense on defined benefit obligation	1
Contributions by participants	32
Actuarial (gains)/losses on liabilities – financial assumptions	(5)
Actuarial (gains)/losses on liabilities – demographic assumptions	-
Actuarial (gains)/losses on liabilities – experience	-
Net benefits paid out #	(2)
Past service cost (incl curtailments)	-
Net increase in liabilities from disposals/acquisitions	-
Settlements	-
Closing defined benefit obligation	134

# Consists of net cash-flow out of the Fund in respect of the employer, excluding contributions and any death in service lump sums paid, and including an approximate allowance for the expected cost of death in service lump sums. Also includes an allowance for fund administration expenses of £1,000.

**Changes to the fair value of assets during the accounting period**

	Period ending 31 March 2014 £000s
Opening fair value of assets	-
Interest income on assets	3
Re-measurement of gains/(losses) on assets	2
Contributions paid by the employer	88
Contributions paid by participants	32
Net benefits paid out #	(2)
Net increase in assets from disposals/acquisitions	-
Settlements	-
Closing fair value of assets	123

# Consists of net cash-flow out of the Fund in respect of the employer, excluding contributions and any death in service lump sums paid, and including an approximate allowance for the expected cost of death in service lump sums. Also includes an allowance for fund administration expenses of £1,000.



**Notes to the financial statements  
for the year ended 31<sup>st</sup> March 2014**

**8 Pension costs (cont)**

**Actual return on assets**

	<b>Period ending 31 March 2014 £000s</b>
Interest income on assets	3
Re-measurement gain/(loss) on assets	2
Actual return on assets	5

**Sensitivity analysis**

The results shown in this report are sensitive to the assumptions used.

The approximate impact of changing key assumptions on the present value of the funded defined benefit obligation as at 31 March 2014 and the projected service cost for the year ending 31 March 2015 is set out below.

In each case, only the assumption mentioned is altered; all other assumptions remain the same and are summarised above. For inflation, for example, we have assumed this will not only change the salary inflation figure and will affect pension increases only.

We have not included sensitivity of unfunded benefits on materiality grounds.

**Funded LGPS benefits**

**Discount rate assumption**

	<b>+0.1% p.a.</b>	<b>-0.1% p.a.</b>
Adjustment to discount rate		
Present value of total obligation (£000s)	130	138
% change in present value of total obligation	-3.1%	3.2%
Projected service cost (£000s)	103	112
Approximate % change in projected service cost	-4.1%	4.2%

**Rate of general increase in salaries**

	<b>+0.1% p.a.</b>	<b>-0.1% p.a.</b>
Adjustment to salary increase rate		
Present value of total obligation (£000s)	136	132
% change in present value of total obligation	1.6%	-1.6%
Projected service cost (£000s)	110	105
Approximate % change in projected service cost	2.2%	-2.2%

**Notes to the financial statements  
for the year ended 31<sup>st</sup> March 2014**

**8 Pension costs (cont)**

**Rate of increase to pensions in payment and deferred pensions assumptions**

Adjustment to pension increase rate	+0.1% p.a.	-0.1% p.a.
Present value of total obligation (£000s)	136	132
% change in present value of total obligation	1.6%	-1.6%
Projected service cost (£000s)	109	105
Approximate % change in projected service cost	2.1%	-2.1%

**Post retirement mortality assumption**

Adjustment to mortality age rating assumption <sup>(1)</sup>	-1 year	+1 year
Present value of total obligation (£000s)	136	132
% change in present value of total obligation	2.0%	-2.0%
Projected service cost (£000s)	111	104
Approximate % change in projected service cost	3.1%	-3.1%

<sup>(1)</sup> A rating of +1 year means that members are assumed to follow the mortality pattern of the base table for an individual that is 1 year older than them.

We provide an estimate of the changes to the estimated surplus or deficit on the profit and loss/provision of services in future periods, based on the assumptions as at 31 March 2014 set out above.

**Funded LGPS benefits – expected amounts charged to the Statement of Comprehensive Net Expenditure**

	Period ending 31 March 2015 £000s
Projected past service cost <sup>(1)</sup>	107
Past service costs	-
Interest on the net defined benefit liability/(asset)	(1)
<b>Total</b>	<b>106</b>

<sup>(1)</sup> The Projected Service Cost includes an allowance for the administration expenses of £1,000 in the period ending 31 March 2015.

**Notes to the financial statements  
 for the year ended 31<sup>st</sup> March 2014**

**9 Staff costs**

	Permanently employed staff £	Others £	2014 £	2013 £
Administrative expenses:				
Salaries	662,101	-	662,101	591,572
Social security costs	73,996	-	73,996	61,089
Other pension costs	<u>152,980</u>	<u>-</u>	<u>152,980</u>	<u>30,727</u>
	<u>889,077</u>	<u>-</u>	<u>889,077</u>	<u>683,388</u>
Programme expenses:				
Salaries	190,828	391,383	582,211	570,865
Social security costs	15,792	19,376	35,168	33,670
Other pension costs	<u>36,169</u>	<u>-</u>	<u>36,169</u>	<u>6,750</u>
	<u>242,789</u>	<u>410,759</u>	<u>653,548</u>	<u>611,285</u>

During the year Northern Ireland Screen employed an average of 25 full-time equivalent staff (2012-13: 26).

Notes to the financial statements  
for the year ended 31<sup>st</sup> March 2014

10	Property, plant and equipment					
	Production Equipment	Computer Equipment	Fixtures and fittings	Office equipment	TV and video equipment	Total
	£	£	£	£	£	£
<b>Cost</b>						
At 1 <sup>st</sup> April 2013	-	27,147	33,423	40,453	17,017	118,040
Additions in Year	-	-	-	-	-	-
Disposals	-	-	-	-	-	-
At 31 <sup>st</sup> Mar 2014	<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 2013	-	22,148	31,818	39,138	15,089	108,193
Disposals	-	-	-	-	-	-
Charge for year	-	4,999	358	294	431	6,082
At 31 <sup>st</sup> Mar 2014	<u>-</u>	<u>27,147</u>	<u>32,176</u>	<u>39,432</u>	<u>15,520</u>	<u>114,275</u>
<b>Net book values</b>						
At 31 <sup>st</sup> Mar 2014	<u>-</u>	<u>-</u>	<u>1,247</u>	<u>1,021</u>	<u>1,497</u>	<u>3,765</u>
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>
	Production Equipment	Computer Equipment	Fixtures and fittings	Office equipment	TV and video 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	(215,896)	-	-	-	-	(215,896)
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	-	5,700	463	379	555	7,097
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>

\*There are no assets held under finance lease

**Notes to the financial statements  
for the year ended 31<sup>st</sup> March 2014**

**11 Trade and other receivables**

	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
Trade receivables	7,780	15,274
Grants receivable	180,052	117,030
Prepayments	<u>28,934</u>	<u>80,704</u>
	<u>216,766</u>	<u>213,008</u>

Grant receivable includes money spent in the financial year which is still outstanding from Invest Northern Ireland of £51,034 (2012-13: £83,219), Creative Skillset £29,018 (2012-13: £33,569) and other £100,000 (2012-13: £242).

**12 Cash and cash equivalents**

	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
At 1 <sup>st</sup> April 2013	782,409	1,259,494
Net change in cash and cash equivalent balances	<u>(21,548)</u>	<u>(477,085)</u>
At 31 <sup>st</sup> March 2014	<u>760,861</u>	<u>782,409</u>
	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
Represented by:		
Cash at bank and in hand	<u>760,861</u>	<u>782,409</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 2014 the balance held was £223,873 (2012-13: £112,500). The Lottery Film Funding Programme is summarised in note 14.

Cash balances include £385,684 (2012-13: £593,966) in relation to the Ulster-Scots Broadcast Fund which will be spent in 2014/15. Cash balances represent deposits held in commercial banks.

**Notes to the financial statements  
for the year ended 31<sup>st</sup> March 2014**

<b>13 Trade and other payables</b>	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
Trade creditors	27,933	482
VAT	-	24,000
Accruals and deferred income - non-Lottery	712,815	858,084
Deferred Income - Lottery funds	<u>223,873</u>	<u>112,500</u>
	<u>964,621</u>	<u>995,066</u>

Accruals and deferred income includes monies received from Invest Northern Ireland £11,508; 2012-13: £85,494), recoupment funds (£57,841; 2012-13: £12,874), Ulster-Scots Broadcast Fund (£385,683; 2012-13: £593,965), Creative Skillset (£nil; 2012-13: £21,026), BBC NI £114,616 (£nil; 2012-13: £21,026) and Lottery funds (£223,516; 2012-13: £112,500). 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>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
Funds held at start of year	112,500	153,785
Lottery funds received during the year	817,759	604,798
Awards paid	(641,710)	(597,083)
Administration costs	<u>(64,676)</u>	<u>(49,000)</u>
Funds held at end of year	<u>223,873</u>	<u>112,500</u>

**Notes to the financial statements  
for the year ended 31<sup>st</sup> March 2014**

**15 Commitments under operating leases**

At 31<sup>st</sup> March 2014 the company had one outstanding commitment under non-cancellable operating leases:

	2014		2013	
	Land and Buildings £	Other £	Land and Buildings £	Other £
Expiring:				
Within one year	-	8,420	-	3,838
Between one and five years	-	<u>18,573</u>	-	<u>13,751</u>
	-	<u>26,993</u>	-	<u>17,589</u>

**16 Related party transactions**

Directors and key management 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	£
Dante's Foodservice Ltd	Rotha Johnston	Related to a Director of the company	£1,704
Into Film	Jennifer Johnston	Employee	£126,876
Belfast Film Festival	Laurence McKeown	Board member	£54,000
Mammoth Screen (NI) Ltd	James Penny	Commercial Director with Mammoth Screen Ltd and Mammoth Screen (NI) Ltd	£380,000 £50,000
Cinemobile	Bernard McCloskey	Board member	£68,500
Brian Falconer	Brid Falconer	Related to individual in receipt of short film funding	£24,500

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 (see note 5).

**Notes to the financial statements  
for the year ended 31<sup>st</sup> March 2014**

**17 Film award payments**

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

	2014 £	2013 £
Lottery	641,710	597,083
Irish Language Broadcast Fund	2,523,345	2,515,444
Ulster-Scots Broadcasting Fund	1,137,437	1,412,336
Northern Ireland Screen Fund	<u>6,708,932</u>	<u>7,129,495</u>
	<u>11,011,424</u>	<u>11,654,358</u>

**18 Production Awards contracted**

	Unpaid contracts as at 1 <sup>st</sup> April 2013 £	Contracts awarded in year £	Less De- committed within year £	Contract payments in year £	Unpaid contracts as at 31 <sup>st</sup> March 14 £
Lottery Film Funding Programme	559,964	586,748	121,440	641,710	383,562
Northern Ireland Screen Fund	512,714	6,756,416	61,300	6,708,932	498,898
Ulster-Scots Broadcast Fund	756,066	886,539	100,661	1,137,437	404,507
Irish Language Broadcast Fund	<u>1,389,586</u>	<u>2,550,816</u>	<u>52,305</u>	<u>2,523,345</u>	<u>1,364,752</u>
	<u>3,218,330</u>	<u>10,780,519</u>	<u>335,706</u>	<u>11,011,424</u>	<u>2,651,719</u>

Northern Ireland Screen is responsible for distributing Lottery funds under the Lottery Film Funding Programme. The programme is summarised in note 14. Northern Ireland Screen Fund receives funding during the year from Invest Northern Ireland. A balance of £11,508 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 2014 authorised future capital expenditure amounted to £Nil (2013: £Nil). The company has no capital commitments at 31 March 2014 (2013: £Nil)



**Notes to the financial statements  
for the year ended 31<sup>st</sup> March 2014**

**20 Losses and special payments**

There were no losses or special payments during the year ended 31 March 2014.

**21 Off-payroll payments**

There were no off-payroll payments in excess of £58,200 per annum in place at 31 March 2014.

**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 28 August 2014