



**Northern Ireland Screen Commission**  
**Annual Report and Financial Statements**  
**for the year ended 31<sup>st</sup> March 2022**

## Company Information

### Directors at 31<sup>st</sup> March 2022

Sir David Sterling  
Fionnuala Deane  
Richard Hanna  
Greg Maguire  
Susan Picken  
Mark Huffam  
Brenda Romero  
Roise Ni Bhaoill  
Michael Fanning  
Carmel Mullan  
Peter Weil  
Tom Gray

### 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

3<sup>rd</sup> Floor  
Alfred House  
21 Alfred Street  
Belfast  
BT2 8ED

### Auditor

Comptroller and Auditor General  
Northern Ireland Audit Office (NIAO)

### Bankers

Danske Bank  
First Floor  
Donegall Square West  
Belfast  
BT1 6JS

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**Annual Report  
for the year ended 31 March 2022**

**Strategic Report  
For the year ended 31 March 2022**

**Overview**

**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.

At the Statement of Financial Position date, the Department for the Economy (DfE) is the Government Sponsor Department for Northern Ireland Screen. The primary funders are DfE, the Department for Communities (DfC), the British Film Institute (BFI), as a conduit for the Department of Culture, Media and Sport (DCMS), Department of Tourism, Culture, Arts, Gaeltacht, Sport and Media (TCAGSM) 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 23 May 2019.

Northern Ireland Screen is a company limited by guarantee, currently governed by a Board of 12 Directors and employing 37 permanent and temporary core staff. The organisation is the government-sponsored lead body in Northern Ireland for the film, television and digital content industry.

This report covers the final year of Northern Ireland Screen's *Opening Doors Strategy 2 2018-2022* ("ODS 2").

**Review of business with Key Performance Indicators**

Northern Ireland Screen is committed to maximising the economic, cultural and educational value of the screen industry for the benefit of Northern Ireland. This goal is pursued through our mission to accelerate the development of a dynamic and sustainable screen industry and culture in Northern Ireland.

Northern Ireland Screen has 3 overarching objectives:

1. That Northern Ireland will have the strongest screen industry outside of London in the UK and Ireland;
2. That this industry will be supported by vibrant and diverse cultural voices that are recognised and celebrated equally at home and abroad; and
3. That the sector will be underpinned by the most successful screen and digital technologies education provision in Europe ensuring that the education is within reach and of value to the most socially disadvantaged.

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The Opening Doors Strategy was devised before the release of the NI Executive's Building Forward: Consolidated Covid-19 Recovery Plan but it is consistent with it and delivers strongly against 2 of the 4 Recovery Accelerators – Sustainable Economic Development and Tackling Inequalities. ODS2 also predates DfE's 10X Vision but aligns with it, while Northern Ireland Screen's follow-on strategy for 2022-26, developed during 21-22 has been designed to align strongly with DfE's 10X Vision, primarily through Northern Ireland Screen's support for Ulster University's Studio Ulster virtual production centre of excellence.

Despite the very considerable challenges flowing from COVID 19 and the associated lockdowns, Northern Ireland Screen exceeded its key economic targets associated with ODS2 and the continuation of the Sector approach has been vindicated with a steady stream of high-quality projects being supported during the financial year in each of the Sectors Large-Scale Production, Animation, Independent Film, Television Drama, Factual and Entertainment Television, Gaming, Irish Language and Ulster-Scots.

Delivery and outcomes of Northern Ireland Screen's cultural and educational supported activity was more fundamentally undermined by COVID 19 with schools so dramatically impacted and cultural venues largely closed. However, it was very encouraging that these activities were beginning to return to normal by the end of the financial year.

**Going Concern**

All liabilities will be met by future grant-in-aid, received from and approved annually by DfE. DfE core grant funding for 2021-22 has been approved at a value of £13.345m. Planned activities for 2021-22 have been formulated in light of the requested funding applied to DfE. Therefore, the future financing of any Northern Ireland Screen liabilities is expected to be met by DfE.

The uncertainty as to the future impact of the COVID-19 pandemic has also been considered as part of the organisation's adoption of the going concern basis. *It is considered appropriate to adopt a going concern basis for the preparation of the financial statements as the DfE, sponsor department of Northern Ireland Screen, is supply financed. There is no reason to believe that the Department's future sponsorship and future Assembly approval will not be forthcoming to meet Northern Ireland Screen's liabilities as they fall due which includes any pension deficit.*

An amount of £1.6m recoverable expenditure in relation to a large scale grant has had a positive impact on debtors and net equity at year end. In this context, the accounts have been prepared on a going concern basis.

The future financing of the first year of Stories, Skills and Sustainability has been approved at the level of the economic appraisal which received approval in 21/22 and has resulted in increased funding of £4.8m.

**Performance Analysis**

The purpose of the performance analysis is to provide an overview of our performance against targets set by the Board and how it has been delivered within the resources given to us.

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**Financial performance and position**

**Statement of Financial Position**

Total current assets have increased by £2.607m from £1.546m at 31 March 2021 to £4.153m at 31 March 2022. Included within this movement, trade receivables have increased by £1.568m relating to a return of a large scale grant of £1.600m due to the project being pulled. Cash and cash equivalents have increased by £1.039m.

The Statement of Financial Position shows a movement in Total Taxpayers' Equity from a deficit of £1.364m to a surplus of £0.749m. This surplus is primarily attributable to movement in pension liabilities and return of large scale grant of £1.600m.

**Statement of Comprehensive Net Expenditure**

Total comprehensive income for the year has increased from (£0.482m) to £2.113m.

The increase of £2.595m primarily relates to;

- The return of £1.600m in relation to a large scale grant which was cancelled thus reducing expenditure
- £1.748m pension actuarial gain which was £0.831m actuarial loss in 2020-21 accounts and improved to a £0.917m actuarial gain in 2021-22.

The increase in total income for the year of £1.820m from £22.141m to £23.961m, is mainly as a result of the following movements;

- Irish Language Broadcast Fund and Ulster Scots Broadcast Fund received additional income of £2.300m as a one-off in year increase.
- Recoupment income fell by £0.471m from £1.145m in 2020-21 to £0.674m in 2021-22.

Total operating expenditure increased by £0.973m from £21.792m to £22.765m. This was primarily the result of the following movements;

- Salary costs within Northern Ireland Screen increased by £0.144m. This was primarily due to a NICS pay award and additional agency staff costs due to maternity and sickness.
- Other expenditure increased by £0.422m from £0.503m to £0.925m of which £0.214m related to an additional pension service cost and £0.032m additional pension interest. Professional fees increased by £0.139m.
- Programme expenses increased by £0.351m from £20.019m to £20.370m which is proportionality in line with the increased income.

**Annual Report  
for the year ended 31 March 2022**

**Aims, Objectives and Future Plans**

Northern Ireland Screen sets out its annual objectives within a Business Plan that contains targets for the various activities of the organisation. Performance against targets is measured continuously throughout the financial year, in formal end of quarter reports reviewed by the Senior Management Team, by the Northern Ireland Screen Board and by our sponsor department, the Department for the Economy.

Northern Ireland Screen exceeded its key economic targets associated with ODS2 and the continuation of the Sector approach has been vindicated with a steady stream of high-quality projects being supported during the financial year in each of the Sectors Large-Scale Production, Animation, Independent Film, Television Drama, Factual and Entertainment Television, Gaming, Irish Language and Ulster-Scots.

Delivery and outcomes of Northern Ireland Screen's cultural and educational supported activity was more fundamentally undermined by COVID 19 with schools so dramatically impacted and cultural venues largely closed. However, it was very encouraging that these activities were beginning to return to normal by the end of the financial year and we fully expect them to return fully in the course of the next year.

We received additional monies in year through the DfE Economic Recovery Action Plan and from DfC through the Covid Recovery Programme. Both of which significantly contributed to the Film and TV Sector's recovery from the pandemic. The Irish Language Broadcast Fund received a further nearly £1m from DCMS through the BFI and the Department for Tourism, Culture, Gaeltacht, Arts, Sports and Media (TCGASM) the equivalent of 1 million Euro

A significant debtor has been included in the end of year accounts due to the loss of a production which was not able to continue plans for a large scale film here. All monies were returned in a timely fashion and no cost to the taxpayer.

2021 proved to be another great year for Northern Ireland Screen with many successes across film, TV, animation, games and interactive content. Despite the challenges brought about by the ongoing pandemic we were still able to attract major US studios, with Netflix and Paramount bringing projects here for the first time. There was a great sense of excitement as a whole host of A-list stars were spotted across the country as filming got underway at various locations for *The School for Good and Evil* and *Dungeons & Dragons*.

A variety of content we supported was selected for some of the most prestigious festivals across the world, picked up much coveted industry awards and set social media alight. Consolidated ratings for the finale of *Line of Duty* series 6 reached a staggering 15.24 million viewers making it the UK's most-watched drama series of the century.

In November we co-hosted the Irish premiere of our Honorary President Sir Kenneth Branagh's *Belfast* in Belfast, with Belfast Film Festival. The star-studded event generated a vast amount of media interest. The film was a huge success when it opened in cinemas in February, becoming QFT's most successful film in its 53-year history. *Belfast* went on to pick up a BAFTA for Outstanding British Film, an Oscar for Best Original Screenplay, a Golden Globe for Best Screenplay and, three Critics Choice Awards (Best Original Screenplay, Best Acting Ensemble and 11-year-old Jude Hill from Gilford won Best Young Actor).

These successes across a range of sectors indicate that we are progressing towards our ambition to have the strongest screen industry in the UK and Ireland outside of London.

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There have been plenty more high-profile positive indicators across the year:

1. ***Dalgliesh*** starring Bertie Carvel as Inspector Adam Dalgliesh aired on Channel 5. The production spanned many locations across Northern Ireland including Strangford, Armagh, Islandmagee and Ballyclare, amongst others. Northern Ireland directors Andy and Ryan Tohill (*The Dig*) joined the team behind the camera.
2. New police drama ***Hope Street*** aired on BBC One Northern Ireland and UK-wide on BBC Daytime. The 10-part series, filmed in Donaghadee, was created by local woman Susanne Farrell and features a host of Northern Ireland talent both in front of and behind the camera. US viewers will also get to see ***Hope Street*** when it launches on Britbox.
3. Filming began in early 2022 on the second series of HTM Television's ratings-hit ***Bloodlands***. Created and written by Chris Brandon, the series will return to BBC One and BBC iPlayer for six thrilling hour-long episodes.
4. ***Blue Lights***, an original series created for BBC One by Northern Ireland writer-directors Adam Patterson and Declan Lawn (*The Salsbury Poisonings*) began filming in early 2022.
5. ***Rough***, a short film about Belfast gangsters passing a death sentence on a dog, also written and directed by Adam Patterson and Declan Lawn, took home the award for Best Short Film at IFTA. Produced by Gallagher Films the film also won a Silver Dragon for Best Fiction Short at Krakow Film Festival and made it onto the BAFTA longlist for Best Short Film.
6. The much-anticipated adaptation of Sally Rooney's *Conversations with Friends* filmed partly on location in Northern Ireland during 2021. The 12-part drama from Element Pictures was commissioned by BBC Three in the UK and Hulu in the US. The third and final series of Lisa McGee's *Derry Girls* filmed in late 2021, as did *Tom Jones*, a four-part television miniseries from Mammoth Screen for ITV and Masterpiece.
7. A number of independent films made in Northern Ireland, many by local writers, directors and producers, were released throughout 2021. Colum Eastwood's ***Black Medicine***, Uberto Pasolini's ***Nowhere Special*** and Chris Baugh's ***Boys from County Hell*** were all released across four weeks during the summer.
8. ***Wildfire***, the debut feature from Newry-native Cathy Brady and starring the late Nika McGuigan, opened in cinemas in September. Cathy picked up the Best Director Film Award at the IFTAs and the Debut Screenwriter Award at the BIFAs.
9. ***Here Before***, written and directed by Stacey Gregg, picked up Best Irish Film at the Galway Film Fleadh in July and was incredibly well received by local audiences when it screened as part of Belfast Film Festival before opening in cinemas in February.
10. Fired Up Films' debut Netflix commission ***Myth and Mogul: John DeLorean*** launched on the streamer in July and its BBC Two film, ***DeLorean: Back from the Future***, was shortlisted for Best History Documentary at the prestigious Grierson Awards.

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11. Erica Starling's *Lee Miller – A Life on the Frontline*, which follows the story of a model-turned-war reporter, won two BAFTA TV Craft Awards for Editing and Directing.
12. The 2022 Sundance Film Festival hosted the World Premiere of *Nothing Compares*, directed by Northern Ireland filmmaker Kathryn Ferguson. This bold, multi-layered portrait of iconic musician Sinéad O'Connor, was one of only ten international documentaries selected to be shown as part of the festival's World Cinema Documentary Competition. Showtime subsequently acquired worldwide rights to the documentary.
13. Declan McGrath's *Young Plato* won the George Morrison Feature Documentary Award at the IFTAs and picked up the Irish Council for Civil Liberties Human Rights on Film Award at The Dublin International Film Festival.
14. *Mastermind* shot its latest series with new host Clive Myrie in Northern Ireland. Still considered as one of TV's toughest challenges the series aired on BBC Two in August.
15. BBC Three commissioned a host of local shows including *The Fast and the Farmer(ish)* and *The Big Proud Party Agency* from Derry~Londonderry based Alleycats and *Stitch, Please!* From Waddell Media. Waddell also secured a commission from BBC Two for *The Hotel People*, following the hard-working team at Hastings Hotels as they strive to bounce back post lockdown.
16. Sixteen South's *Odo* aired on Channel 5's Milkshake! In the UK and on HBO Max in the US. *Odo* was nominated for Best Pre-School Programme at the 2022 Broadcast Awards and Best Pre-School programme at the Annie Awards.
17. Paper Owl Films' series *Ladybird and Bee / Bóin agus Beach* aired on RTEjr in Irish and English. Paper Owl picked up Best Writer for Pre-School Animation for its Cbeebies series *Pablo* at the Irish Animation Awards.
18. Zodiak Kids' *Flatmates* returned to CBBC for a second series in April. The third series of *Almost Never* aired on CBBC in July and featured up and coming Belfast hip hop artist Jordan Adetunji. *Almost Never* was nominated for Best Children's programme at the 2022 Broadcast Awards.
19. *Nova Jones*, a new mixed-media comedy-adventure series from Belfast's Jam Media aired on CBBC and RTÉ Two from September and achieved over one million views on the BBC iPlayer.
20. *Ted's Top Ten* from Zodiak Kids aired on CITV from the beginning of December. *Mimi's World* a mixed-media pre-school soap from London-based Adastra Development and Belfast's Alt Animation filmed at the end of 2021.
21. Out of Tune Games launched its first ever game, *Crooks Like Us*, a chaotic online multiplayer game, where players get to steal everything they see.
22. Belfast's Blackstaff Games released *Buildings Have Feelings Too!*, a unique city-management puzzle game.

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23. Whitepot Studios published *Stargazing*, a game for puzzlers who enjoy endless challenges, chill seekers who enjoy zen experiences, and 9apit fanatics who have an interest in horoscopes.
24. Derry~Londonderry based Hypixel Studios launched its “Mon’ Home” initiative in an attempt to lure expats living and working in the games industry abroad to come back home with an attractive relocation package. Turkish mobile game studio, Hungri Games, announced a recruitment drive for opening a new studio in Belfast.
25. *Doineann*, the first Irish language feature film to be produced in NI, directed by Damian McCann and written by Aislinn Clarke was released in cinemas in early 2022. Produced by DoubleBand Films *Doineann* had a gala screening at Belfast Film Festival and subsequently aired on TG4 and BBC NI.
26. Below the Radar’s popular Irish Language Broadcast Fund magazine series *I Lár an Aonaigh*, returned to BBC for its 10<sup>th</sup> series.
27. Paula McIntyre side-stepped into TV sharing a mouth-watering selection of recipes to serve up to family and friends in Ulster-Scots Broadcast Fund series *Paula McIntyre’s Hamely Kitchen* from Clean Slate Productions.
28. Claire McCollum hosted DoubleBand Films’ *A Stitch Through Time* where four local designers went head-to-head to create fashion pieces that best represented the heritage and influence of the Ulster-Scots pioneers that helped shape the global textiles industry.
29. Screen Academies have provided opportunities to young people to gain experience in animation, VFX and gaming. In November, after much Covid-related stopping and starting the academies unveiled their sci-film, *Human Error*, on the big screen at Belfast’s Strand Cinema.

Annual Report  
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**Key Performance Indicators for the 2021 – 2022 Financial Year**

| Activity                                                                                    | PI targets<br>2021-22                                                                                                                                                                                                                                                                                                 | Performance Indicators @ 31 March 2022                                                                                                                                                                                                                                                                             | Year End<br>Position<br>2021-22 |
|---------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------|
| <b>ECONOMIC</b>                                                                             |                                                                                                                                                                                                                                                                                                                       |                                                                                                                                                                                                                                                                                                                    |                                 |
| Northern Ireland Screen Fund:                                                               | Direct spend output ratio 6:1<br>2018-22 £300m (Rephase £282m)                                                                                                                                                                                                                                                        | Direct spend output ratio 11:1<br>£361m                                                                                                                                                                                                                                                                            |                                 |
| Large-scale production                                                                      | 12.9:1 (Re-Phase 16:1)                                                                                                                                                                                                                                                                                                | 16.2:1                                                                                                                                                                                                                                                                                                             |                                 |
| Animation                                                                                   | 6:1 (Re-Phase 7.5:1)                                                                                                                                                                                                                                                                                                  | 8.3:1                                                                                                                                                                                                                                                                                                              |                                 |
| TV Drama                                                                                    | 6.7:1 (Re-Phase 7:1)                                                                                                                                                                                                                                                                                                  | 9:1                                                                                                                                                                                                                                                                                                                |                                 |
| Factual/Entertainment                                                                       | 4:1 (Re-Phase 7:1)                                                                                                                                                                                                                                                                                                    | 6.8:1                                                                                                                                                                                                                                                                                                              |                                 |
| Independent Film                                                                            | 2.8:1 (Re-Phase 2.8:1)                                                                                                                                                                                                                                                                                                | 3.2:1                                                                                                                                                                                                                                                                                                              |                                 |
| Gaming/Mobile                                                                               | 3.3:1 (Re-Phase 4.5:1)                                                                                                                                                                                                                                                                                                | 6.4:1                                                                                                                                                                                                                                                                                                              |                                 |
| Skills                                                                                      | 60% and 40% NI crew & Head of Department on large-scale productions<br>75% and 65% NI crew & HOD on other productions                                                                                                                                                                                                 | 61% and 40% NI crew & HOD on large-scale production<br>85% and 67% NI crew & HOD on other productions                                                                                                                                                                                                              |                                 |
| <b>EDUCATION</b>                                                                            |                                                                                                                                                                                                                                                                                                                       |                                                                                                                                                                                                                                                                                                                    |                                 |
| Creative Learning Centres (CLC)                                                             | Activity in areas of disadvantage – schools or groups<br>Nerve centre 70%<br>Nerve Belfast 70%<br>Amma Centre 70%<br>2,110 teachers involved in all CLC programmes                                                                                                                                                    | Activity in areas of disadvantage – schools or groups<br>Nerve Centre 73%<br>Nerve Belfast 73%<br>Amma Centre 79%<br>5,566 teachers involved in all CLC programmes                                                                                                                                                 |                                 |
| School Film Clubs                                                                           | 180 extended schools and maintain membership at 2k                                                                                                                                                                                                                                                                    | 167 schools signed up                                                                                                                                                                                                                                                                                              |                                 |
| <b>CULTURAL</b>                                                                             |                                                                                                                                                                                                                                                                                                                       |                                                                                                                                                                                                                                                                                                                    |                                 |
| Exhibition: QFT, Belfast Film Festival (BFF), Cinemagic, Cinemobile and Foyle Film Festival | BFF Admissions 6000.<br>FFF to deliver 1200 of screenings for minority groups                                                                                                                                                                                                                                         | 7952<br>2583 screenings                                                                                                                                                                                                                                                                                            |                                 |
| Irish Language Broadcast Fund                                                               | 55 hours television broadcast to 25,000+ people in N Ireland.<br><br>Broadcast 100% of all programmes funded by ILBF<br>Support 15 trainees across mixed disciplines                                                                                                                                                  | Target exceeded 60 hours of television.<br><br>All programmes funded by the ILBF are broadcast.<br>Supporting/supported 16 trainees across mixed disciplines, with 3 trainees securing employment in the local sector.                                                                                             |                                 |
| Ulster-Scots Broadcast Fund                                                                 | Recruit 3 USBF Trainees for Year 3 of the scheme<br><br>Broadcast 90% of programming within 9 months of delivery<br><br>Reach a significant Northern Ireland audience, primarily but not exclusively through broadcast television, with an average per programme audience target of 40,000 people in Northern Ireland | Three Year 3 trainees recruited and currently on placement<br><br>11 programmes have been delivered all of which have been broadcast. NVTV continues to broadcast content across the year.<br><br>Audience figures have been received for 10 of the 11 projects broadcast. Average across 10 programmes is 38,335. |                                 |
| <b>OUTREACH</b>                                                                             |                                                                                                                                                                                                                                                                                                                       |                                                                                                                                                                                                                                                                                                                    |                                 |
| Digital Film Archive                                                                        | 40 Outreach Events<br><br>120 partner events reaching 2,500 people<br><br>Accumulated audience/participants for above DFA activity, 10 UTV-focused outreach events per annum                                                                                                                                          | 114 Events delivered<br><br>146 Partner events reaching 198,000 people<br><br>260 events, reaching 10 capital. 400,000 online and views                                                                                                                                                                            |                                 |

All except one KPI was met. The covid pandemic affected school openings which had a direct impact on after school film clubs attendance.

**Annual Report  
for the year ended 31 March 2022**

**Equality, Diversity and Social Inclusion**

Northern Ireland Screen carries out its obligations under Section 75 of the Northern Ireland Act 1998 (the Act) which places a statutory duty on public authorities, such as Northern Ireland Screen, to address inequalities and demonstrate a measurable positive impact on the lives of people experiencing inequalities. The Act states that each public body is required, in carrying out its functions relating to Northern Ireland, to have due regard to the need to promote equality of opportunity between:

- persons of different religious belief, political opinion, racial group, age, marital status and sexual orientation;
- between men and women generally;
- persons with a disability and persons without; and
- persons with dependants and persons without

Northern Ireland Screen is an equal opportunities employer. We encourage applications from all suitably qualified persons regardless of their sex; religious or similar philosophical belief; political opinion; race; age; sexual orientation; or, whether they are married or are in a civil partnership; or, whether they are disabled; or whether they have undergone, are undergoing or intend to undergo gender reassignment.

We monitor the application process for all recruitments to ensure that we are encouraging applications from as wide a range and diverse background as possible.

Towards the end of the year we have partnered with the BBC in the creation of the Creative Industries New Entrant Scheme (CINE). As part of its ongoing work to address COVID-19 impacts experienced by the Voluntary & Community, Sports, Arts, Heritage and Creative Industries sectors the Department for Communities, in consultation with colleagues and sectoral bodies, has designed an Employment and Skills Initiative grants-based scheme, aimed at funding the salaries and associated costs of new entry level employment opportunities in Not for Profit organisations for those of working age (18 years+) for these sectors that will seek to address unemployment and economic inactivity as well as attracting new talent. In addition, this scheme aims to provide funding for training and upskilling of existing employees in key roles within the affected sectors, thereby protecting jobs by incentivising staff to remain in and develop their career paths in these sectors. This initiative seeks to provide a holistic approach to the support of funded individuals within these sectors. It is anticipated the scheme will last for approximately 3 years with a budget of £4m.

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**Sustainability Report**

During the course of this year as part of the 2022-26 Strategy we have developed our strategic approach to Sustainability. We regards sustainability as the confluence of economic, social, and environmental strategies that are focused on creating and maximizing long-term value. Northern Ireland Screen is planning on recruiting for a Facilities and Sustainability Manager to encourage the adoption of the Albert environmental standards on all its funded projects, discourage the use of cellulose acetate or polyester based film stock as a recording format, identify, source, and promote the use of greener consumable products as a replacement for more damaging ones, with facility providers explore the provision of facilities that can use renewable energy, with construction companies identify, source, and promote the use of greener construction materials and champion the reuse of sets, with vehicle hire companies explore and help address the issues around using electric vehicles on productions.

During 2021-22 we encouraged employees to reduce the use of plastic by removing plastic cups from the offices and encouraged employees to use water bottles/glasses etc. Using appropriate IT technology, printing options for all employees were defaulted to double-sided to help reduce the use of paper in the workplace. We have invested in procuring dedicated recycling bins for usage by its employees and visitors.

**Principal risks and uncertainties**

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

The restrictions imposed by Covid-19. Whilst these have started to decrease as the pandemic wanes we remain vigilant to new strains and subsequent impacts.

The allocation of funding continues to be provided in annual year allocations, meaning that year 2 of the proposed strategy would not be deliverable in its entirety. Added to this, there are now many points of inherent weakness in our ecosystem, including; ensuring the continuing availability and commitment of freelance crew, and ensuring that longer term projects are not unnecessarily delayed.

Irish Language Broadcast Fund (ILBF) and Ulster Scots Broadcast Fund (USBF) did not receive the additional funding received in 2021-22 for 2022-23 which is disappointing as such cash injections stimulate demand which can no longer be met.

As a development agency working in a dynamic and fast moving industrial sector, Northern Ireland Screen carries constant risk associated with delivering the outcomes outlined in our strategy; ensuring relatively stable demand for the freelance crew base that both supports and benefits from the screen industry in Northern Ireland and for the supply chain companies involved in supporting particularly large-scale production including the 3 studio complexes; and ensuring an even cashflow profile year to year. This risk was well managed through the year albeit that at the year-end much was thrown into uncertainty.

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**Additional**

While the risks of COVID-19 and budget allocations remain uncertain, Northern Ireland Screen has and will continue to pursue its strategic goals.

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

**Future Developments**

*Northern Ireland Screen continues to liaise with DfE and DfC on finalising budgets for the remainder of the Strategy period 2022-26.*

We will further develop the CINE initiative in collaboration with the BBC over the expected duration of the Programme.

**Other**

There was no non-financial information, to include social matters, respect for human rights, anti-corruption and anti-bribery matters, that need disclosure in this year's report.

All related party transactions are detailed on page 61, note 14.

Northern Ireland Screen will continue to buy more sustainable and efficient products and services with the aim of achieving the best long-term, overall value for money for society.



**Richard Williams**

**15<sup>th</sup> November 2022**

**Accountability Report  
for the year ended 31 March 2022**

**Corporate Governance Report**

**Directors' Report for the year ended 31 March 2022**

Board Members are appointed by the Minister, and in the wider public interest, the Permanent Secretary may make appointments to the NI Screen Board. Appointments of Board Members will normally be for a period of three to five years, with the possibility of re-appointment up to a further four years. These appointments are made in accordance with the Code of Practice issued by the Commissioner of Public Appointments for Northern Ireland.

The Board shall be composed of a Chair and up to 12 members. A position of vice-chair is optional. The Board must have a total of 5 members present to achieve a quorum.

The Directors who served during the year are as follows:

| Dame Rotha Johnston (Chair – to 31 January 2022)/Sir David Sterling (Chair – from 1 February 2022) |                  |                 |
|----------------------------------------------------------------------------------------------------|------------------|-----------------|
| Elaine Sperber (to 31 June 2021)                                                                   | Michael Fanning  | Mark Huffam     |
| Brenda Romero                                                                                      | Róise Ní Bhaoill | Richard Hanna   |
| Greg Maguire                                                                                       | Susan Picken     | Fionnuala Deane |
| Carmel Mullan                                                                                      | Peter Weil       | Tom Gray        |
| Sheila Fleming (to June 2021)                                                                      |                  |                 |

Richard Williams served as Chief Executive for the full year.

**Conflicts of interest**

There are no company directorships or other significant interests held by members of the management board which may conflict with their management responsibilities. Directors declare any interest in successful applications to Northern Ireland Screen and commercial relationships with Northern Ireland Screen (see note 14).

**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) 04/13 refer.

The percentage of bills paid within these standards in 2021-22 is 83% (2020-21: 81%). The trade payable days at 31 March 2022 is less than 10 days.

**Accountability Report  
for the year ended 31 March 2022**

**Prior Year Adjustments**

On review of the 2020/2021 opening balances it was discovered that there were some material errors which resulted in the reinstatement of the 2020/2021 prior year balances. These have been detailed in note 23.

**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.

**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.

This confirmation is given and should be interpreted in accordance with the provisions of s.418 of the Companies Act 2006.

**Pension arrangements**

The company operated the NILGOSC (Northern Ireland Local Government Officers' Superannuation Committee) pension scheme 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. Northern Ireland Screen's share of the scheme recorded net pension liabilities at 31 March 2022 was £1,562,000 (31 March 2021 £2,052,000).

The pension liabilities relate to the defined benefit scheme which is managed by the Pension Fund Committee of NILGOSC and the Directors of Northern Ireland Screen do not have any control in the management of this Fund.

The future financing of any Northern Ireland Screen liabilities is expected to be met by DfE.

**Accountability Report  
for the year ended 31 March 2022**

**Complaints Handling**

Northern Ireland Screen operates a complaints handling procedure in order that a person or organisation can express dissatisfaction about an aspect of the service received from the organisation. Further details are available on the website.

In dealing with complaints, Northern Ireland Screen seeks to restore relationships as far as possible. It makes every effort to make it easy to voice concerns through handling complaints quickly and without undue fuss or bureaucracy. Complaints are handled confidentially, with fairness and objectivity, and the outcome is made known to the complainant. All complaints or comments received, and actions taken are monitored and retained including the speed with which they are actioned. Complaints are analysed to identify problem areas where action may be required in order to provide a better quality of service, and suggestions on how to improve services are welcomed.

**Auditor's remuneration**

See note 3 in the accounts for details of auditor's remuneration. There has been no other work carried out by the Northern Ireland Audit Office or the Comptroller and Auditor General on Northern Ireland Screen.



**Richard Williams  
15<sup>th</sup> November 2022**

**Accountability Report  
for the year ended 31 March 2022**

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

*The Department for the Economy 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, of its income and expenditure, Statement of Financial Position 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 for the Economy, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis;
- *Make judgements and estimates on a reasonable basis;*
- Such internal controls as the Accounting Officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error;
- State whether applicable accounting standards as set out in the Government Financial Reporting Manual have been followed, and disclose and explain any material departures in the financial statements;
- Prepare the financial statements on the going concern basis; and
- Confirm that the Annual Report and Accounts as a whole is fair, balanced and understandable and take personal responsibility for the Annual Report and Accounts and the judgements required for determining that it is fair, balanced and understandable.

The Accounting Officer of the Department for the Economy has designated the Chief Executive as the Accounting Officer of Northern Ireland Screen. The responsibilities of an Accounting Officer include 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, as set out in Managing Public Money Northern Ireland issued by the Department of Finance.

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

**Accountability Report  
for the year ended 31 March 2022**

**Governance Statement**

The Department for the Economy Permanent Secretary has delegated the CEO of Northern Ireland Screen 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 published by the HM Treasury. As the Accounting Officer, I have taken all the steps that I ought to have taken to make myself aware of any relevant audit information and to establish that Northern Ireland Screen's auditors are aware of that information. So far as I am aware, there is no relevant audit information of which the auditors are unaware.

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. These systems have been in place for the full year with close monitoring particularly in relation to the pandemic.

The Accounting Officer has responsibility for risk management and this is carried out through a risk framework which is regularly reviewed by the Management Board and reported to the Board quarterly and to the Department twice per year through the Assurance Statement. This framework has been in place for the full financial year and regularly reviewed.

Northern Ireland Screen aims to manage risk at a reasonable level to achieve its policies, aims and objectives. As Accounting Officer, it is my responsibility to ensure that an appropriate risk management process is in place within the organisation to assist with the decision making process. The aim is not to eliminate all risk, but to mitigate and manage risks through risk management strategies and policies.

Northern Ireland Screen's Management Statement and Financial Memorandum with DfE was reviewed in May 2019 and more recently in preparation for the Partnership Agreement. They set out the relationship between DfE and Northern Ireland Screen and define the financial and administrative framework within which Northern Ireland Screen operates. Northern Ireland Screen's Financial Memorandum which should be read in conjunction with the Management Statement sets out the framework for the management and control of the finance of Northern Ireland Screen.

**Compliance with Corporate Governance Best Practice**

The publication, in April 2013, of "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 "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.

**Accountability Report  
for the year ended 31 March 2022**

Findings have since been actioned through the appointment of a co-opted member to the Audit and Risk Committee. A review of our Corporate Governance in 2021 recommended a refresh of all the Terms of Reference for each of the Committees and the development of a Schedule of Matters Reserved for the Board which were adopted in December 2021.

**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 members adhere to the Management Statement and Financial Memorandum agreed between DfE and Northern Ireland Screen.

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 DfE as approved by its Minister and for promoting the efficient, economic and effective use of staff and other resources.

Governance and sponsorship responsibility for Northern Ireland Screen lies with DfE. Northern Ireland Screen will continue to have a service provision relationship within the Department for Communities in relation to aspects of Northern Ireland Screen's activities that fall within DfC's policy responsibilities. However, the governance in relation to this funding is channelled through DfE.

The Board role is to:

- establish the overall strategic direction of Northern Ireland Screen within the policy and resources framework determined by the sponsor Department and Minister;
- *constructively challenge Northern Ireland Screen's executive team in their planning, target setting and delivery of performance;*
- ensure that the sponsor Department and other funders are kept informed of any changes which are likely to impact on the strategic direction of Northern Ireland Screen or on the attainability of its targets, and determine the steps needed to deal with such changes;
- ensure that any statutory or administrative requirements for the use of public funds are complied with; that the Board operates within the limits of its statutory authority and any delegated authority agreed with the sponsor Department, and in accordance with any other conditions relating to the use of public funds; and that, in reaching decisions, the Board takes into account all relevant guidance issued by DoF and the sponsor Department;
- ensure that the Board receives and reviews regular financial information concerning the management of Northern Ireland Screen; is informed in a timely manner about any concerns about the activities of Northern Ireland Screen; and provides positive assurance to the sponsor Department that appropriate action has been taken on such concerns;
- demonstrate high standards of corporate governance at all times, including using the independent audit committee, to help the Board to address the key financial and other risks facing Northern Ireland Screen;

**Accountability Report  
for the year ended 31 March 2022**

- appoint, with the sponsor Department's approval, a Chief Executive to Northern Ireland Screen and, in consultation with the sponsor Department, set performance objectives for the Chief Executive, which give due weight to the proper management and use of public monies; and
- to oversee and review the remuneration package for the Northern Ireland Screen's Chief Executive, in line with the relevant benchmarking to Northern Ireland Senior Civil Service employees.

**Governance Statement  
for the year ended 31 March 2022**

**Board Membership**

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

Sir David Sterling KCB – Chair  
Greg Maguire  
Fionnuala Deane  
Róise Ni Bhaoill  
Michael Fanning  
Peter Weil

Susan Picken  
Mark Huffam  
Brenda Romero  
Richard Hanna  
Carmel Mullan  
Tom Gray

**Board Attendance in 2021-22:**

|                             | 8.6.21 | 14.9.21    | 14.12.21 | 15.3.22               |
|-----------------------------|--------|------------|----------|-----------------------|
| Dame Rotha Johnston (Chair) | ✓      | ✓          | ✓        | Term ended            |
| Sir David Sterling (Chair)  |        |            |          | ✓ 1 <sup>st</sup> mtg |
| Elaine Sperber (Vice Chair) | ✓      | Term ended |          |                       |
| Sheila Fleming*             | x      |            |          |                       |
| Greg Maguire                | x      | ✓          | ✓        | x                     |
| Mark Huffam                 | x      | ✓          | x        | x                     |
| Fionnuala Deane             | x      | ✓          | ✓        | ✓                     |
| Brenda Romero               | x      | ✓          | x        | ✓                     |
| Róise Ni Bhaoill            | ✓      | x          | ✓        | ✓                     |
| Richard Hanna               | ✓      | ✓          | ✓        | ✓                     |
| Susan Picken                | ✓      | ✓          | ✓        | ✓                     |
| Michael Fanning             | ✓      | ✓          | ✓        | ✓                     |
| Carmel Mullan               | ✓      | ✓          | ✓        | ✓                     |
| Peter Weil                  | ✓      | ✓          | ✓        | ✓                     |
| Tom Gray                    | ✓      | ✓          | ✓        | ✓                     |

\*Sheila Fleming passed away in June 2021.

The Board of Northern Ireland Screen is required to review its effectiveness annually. The latest review was completed in May 2021 with no issues to report.

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, DfE.

Board members are required to complete Conflicts of Interest declarations annually and a Register of Interests is updated annually.

## **Governance Statement for the year ended 31 March 2022**

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
- Committee Reports

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 Heads of Department Committee, the Investment Committee, the Irish Language Broadcast Fund and Ulster-Scots Broadcast Fund Investment Committees.

### **Audit and Risk Committee**

The Board of Northern Ireland Screen has established an Audit and Risk Committee to support them in their responsibilities for issues of risk control and governance. The Committee consists of 3 non-executive Board members, 1 observer and 1 co-opted member in the current year 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, following 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 which they consider the Accounting Officer and Board should be taking action.

The Audit and Risk 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. It also lists members' 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.

**Governance Statement  
for the year ended 31 March 2022**

The Audit and Risk Committee will advise the Board and Accounting officer on:

- The strategic processes for risk, control and governance and the governance statement;
- Assurances relating to the management of risk and corporate governance requirements for the organisation;
- The annual financial statements with particular focus on changes in accounting policy, major areas of judgement, significant audit adjustments, going concern assumption, and compliance with accounting standards;
- Key contact for any “Raising Concerns”.
- The issues identified within the *Report to those Charged with Governance* and the appropriateness of management’s response;
- The nature and scope of the annual audit in advance (in discussion with NIAO if necessary) and any problems or reservations arising out of the audit with NIAO (in absence of management if required);
- The criteria set for selection and appointment of internal audit;
- The scope and effectiveness of internal audit’s work including planning and operation of the work and the Internal Audit Annual Report;
- The appropriateness of the systems and procedures to promote efficiency, economy and effectiveness;
- Reports and DAOs from department, NIAO and other organisations;
- Anti-fraud policies, whistle-blowing processes, and arrangements for special investigations.

The Committee is authorised by the Board to investigate any activity within its terms of reference, to obtain any information it requires from any employee and to investigate any issues.

Audit and Risk Committee Attendance in 2021-22:

|                                       | 1.6.21 | 7.9.21 | 7.12.21 | 8.3.22                |
|---------------------------------------|--------|--------|---------|-----------------------|
| Sheila Fleming (Chair – to June 2021) | x      | -      | -       | -                     |
| Carmel Mullan (Chair – July 2021)     | ✓      | ✓      | ✓       | ✓                     |
| Susan Picken                          | ✓      | ✓      | ✓       | ✓                     |
| Tom Gray                              | ✓      | ✓      | ✓       | ✓                     |
| Dame Rotha Johnston (Observer)        | ✓      | ✓      | ✓       | Term ended            |
| Sir David Sterling (Observer)         | -      | -      | -       | ✓ 1 <sup>st</sup> mtg |

## Governance Statement for the year ended 31 March 2022

### Strategic Resources Committee

The primary purpose of the Strategic Resources Committee is to give assurance to the Board in the stewardship and propriety on the use of the organisation's resource, to ensure effective financial management, the implementation of HR Strategies and Policies and that any issues are reported to the Board in a timely manner.

The Strategic Resources Committee will:

- Review and recommend acceptance of the annual budget and Operating Plan and Financial Strategy;
- Review financial operating information including quarterly management accounts;
- Exercise a challenge function to the budget and planning assumptions;
- Review financial policies and procedures;
- Provide advice and guidance to the Board on estates, leasing, and insurance issues;
- Review policies relating to Human Resource issues;
- Ensure that the level and structure of Northern Ireland Screen staffing, including grading and numbers of staff, are appropriate to its functions and the requirements of efficiency, effectiveness and economy;
- Review of performance appraisal and staff development;
- Review performance of the organisation including reporting against Key Performance Indicators; Review of mid- term and final evaluations, and review of strategy appraisals;
- The Committee may procure specialist ad hoc advice at the expense of the organisation subject to budgets agreed by the Board and in consultation with CEO and Chair.

The Strategic Resources Committee will also periodically review its own effectiveness and report the results of that review to the Board.

The Strategic Resources Committee will meet 4 times a year (additional meetings may be convened by the Chair as deemed necessary) and all meetings will normally be attended by both the Accounting Officer and Chief Operating Officer.

The Strategic Resources Committee will also periodically review its own effectiveness and report the results of that review to the Board.

Strategic Resources Committee attendance in 2021-22:

|                             | 1.6.21 | 7.9.21 | 6.12.21 | 8.3.22                |
|-----------------------------|--------|--------|---------|-----------------------|
| Dame Rotha Johnston (Chair) | ✓      | ✓      | ✓       | Term ended            |
| Sir David Sterling (Chair)  | -      | -      | -       | ✓ 1 <sup>st</sup> mtg |
| Sheila Fleming              | x      | -      | -       | -                     |
| Michael Fanning             | ✓      | ✓      | ✓       | ✓                     |

**Governance Statement  
for the year ended 31 March 2022**

**Investment Committee**

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:  
The Investment Committee will:

- Make decisions on applications of over £100k to the Northern Ireland Screen Fund in accordance with the published criteria.
- Agree and confirm the award amount and recommendations on contract conditions;
- Defer an application to another meeting if appropriate;
- Reject an application;
- Note all applications to the Screen Fund with a value of under £100k.
- Consider any additional or unusual risk or value associated with any applicant under consideration.

All decisions will be made based on Northern Ireland Screen's Criteria for Decision Making and relevant Guidelines.

These Committees have all functioned effectively throughout the year to March 2022 and have reported on their activities to the Board of Northern Ireland Screen at each quarterly Board meeting.

**Investment Committee Attendance 2021-22:**

|         | <b>Elaine Sperber</b> | <b>Greg Maguire</b> | <b>Michael Fanning</b> | <b>Peter Weil</b> | <b>Susan Picken</b>   | <b>Dame Rotha Johnston</b> |
|---------|-----------------------|---------------------|------------------------|-------------------|-----------------------|----------------------------|
| 20.5.21 | ✓                     | ✓                   | ✓                      | ✓                 | -                     | ✓                          |
| 21.6.21 | ✓                     | ✓                   | ✓                      | ✓                 | ✓ 1 <sup>st</sup> mtg | ✓                          |
| 15.7.21 | <b>Term ended</b>     | ✓                   | x                      | ✓                 | ✓                     | x                          |
| 13.9.21 | -                     | ✓                   | ✓                      | ✓                 | ✓                     | ✓                          |
| 29.9.21 | -                     | ✓                   | ✓                      | ✓                 | ✓                     | x                          |
| 10.1.22 | -                     | ✓                   | ✓                      | ✓                 | ✓                     | ✓                          |
| 31.1.22 | -                     | ✓                   | ✓                      | ✓                 | ✓                     | ✓                          |
| 21.2.22 | -                     | ✓                   | ✓                      | ✓                 | ✓                     | <b>Term ended</b>          |

**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 Chief Executive Officer is also the Accounting Officer.

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.

## **Governance Statement for the year ended 31 March 2022**

### **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 DfE. The organisation consults with DfE on the preparation of its corporate strategy.

The strategy relevant to this period was developed and launched in April 2018 and ended on 31<sup>st</sup> March 2022. The strategy sets out Northern Ireland Screen's key objectives and associated performance indicators and targets relating to the period of the strategy. Performance against this strategy is independently reviewed – most recently in 2021 covering the mid-term of the ODS 2 Strategy. A forecast of expenditure and income for the strategy period is included.

The Strategy covering the period 2022-26 received Casework Approval in September 2022.

The annual Business Plan is also prepared in consultation with DfE and is submitted to DfE for approval each year. The annual plan includes key targets and milestones for the year and is linked to budget information to facilitate resource allocation by DfE, DfC and other funders.

Quarterly Performance Indicator reports are now submitted to DfE and are discussed at departmental accountability meetings and at all Northern Ireland Screen Board meetings.

The 4-year strategy and annual Business Plan are available on Northern Ireland Screen's website.

Business cases and post project evaluations are completed.

### **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 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 Audit and Risk Committee and to the Board at each meeting on a quarterly basis. Key risks identified at 31 March 2022 were:

**Governance Statement  
for the year ended 31 March 2022**

- While greatly reduced, the Coronavirus pandemic continues to have an impact on screen production, *primarily in relation to the additional cost of Covid precautions*;
- Cost inflation across all aspect of the production process including crew rate inflation is a concern in relation to our ongoing competitiveness as an international production hub;
- The Irish Language Broadcast Fund and Ulster-Scots Broadcast Fund have secured funding to March 2023 but require multi-annual commitments to be managed most efficiently;
- With a new strategy with stretching ambition and targets, the risk of the organisation not achieving against performance targets is constant;
- Particularly, it will be difficult to achieve our stated ambitions within Large-Scale Production without expansion of our film studio capacity. We have been working with Belfast Harbour on phase 2 at Harbour Studios to increase the available sound stages and continue to prioritise this infrastructure development;
- Successful alignment with 10x Vision is at risk from the delay in delivering Ulster University's virtual production centre of excellence 'Studio Ulster'.

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

The Board Assurance Statement is completed by the CEO, Accounting Officer for Northern Ireland Screen, and submitted to DfE for review and comment. This document is designed to evidence the CEO's responsibility 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. An internal audit review of risk management resulted in a satisfactory rating for the organisation in 2018.

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.

## **Governance Statement for the year ended 31 March 2022**

### **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 2021-22 there were no incidents of actual or suspected fraud.

Staff are aware of, and have received relevant training in respect of fraud, whistle-blowing and the requirements of the Bribery Act 2010. Refresher training in Fraud Risk was carried out in May 2019. All potential or alleged frauds will be reported to DfE and other appropriate bodies. A Fraud Risk Analysis is submitted to DfE annually.

For grant awards made by Northern Ireland Screen, there is an adequate system of grant sampling and verification of grant payments in place to detect fraud.

Appropriate arrangements are in place within Northern Ireland Screen to ensure that all data, including personal/sensitive data is held and used securely and whistle-blowers are protected. Northern Ireland Screen implemented GDPR European data legislation which was enforced in May 2018.

### **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 DfE to consider both operational and strategic issues and matters relating to the system of internal governance;
- Bi-Annual Assurance Reports 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, Audit and Risk Committee, Strategic Resources Committee, the Senior Management Team and Internal and External Audit;
- Following best practice with regard to the procurement of goods and services;
- Regular reports by administrative staff on progress against principal financial targets and the projected financial outcome for the year, and progress reports by staff responsible for major funds;
- Detailed progress reports to the Audit and Risk Committee, the Strategic Resources 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;

**Governance Statement  
for the year ended 31 March 2022**

- Reports from the internal auditors to the Audit and Risk Committee on the system of internal governance for the year;
- Report to those charged with governance by NIAO on issues noting during the course of the audit relating to the financial statements, and provision of opinions by the Comptroller and Auditor General on whether the financial statements give a true and fair view of the affairs of the company and 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
- Periodic reviews of the Risk Register by the Chief Executive, Director of Finance and Corporate Services, the Board, Audit and Risk 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 for the Economy, the Audit and Risk Committee and the Board at their regular meetings.

**Sources of 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 on 26 July 2016, reference DAO (DOF) 07/16.

*At the end of each financial year an Internal Audit Assurance Statement is issued to the Audit and Risk 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 Screen Fund             | Satisfactory         |
| • Review of Corporate Governance    | Satisfactory         |

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

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

**Governance Statement  
for the year ended 31 March 2022**

**External Audit**

The External Audit of our Statutory Financial Statements is undertaken by the Northern Ireland Audit Office (NIAO), in accordance with Auditing Standards issued by the Auditing Practice Board; the Financial Reporting Manual (FRM); and other government guidance. This independent scrutiny of the Financial Statements against Government Audit Standards provides me with additional assurance in respect of financial regularity. The External Audit Strategy for 2021-22 and the Report to those charged with Governance (RTTCWG) for 2020-21 have been presented to the Audit and Risk Assurance Committee. As Accounting Officer, I can confirm that all recommendations included within the RTTCWG have been accepted and have been implemented or are currently being progressed.

**Review of effectiveness of the System of Internal Governance**

The Accounting Officer has responsibility for reviewing the effectiveness of the system of internal governance. The review of the effectiveness of the system of internal 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 internal governance framework. A plan to address any weaknesses and ensure continuous improvement of the system is in place. This is overseen by the Audit and Risk Committee, Strategic Resources Committee and prescribed by the internal auditor.

The redrafted MSFM was adopted by Northern Ireland Screen's Board at its December 2018 meeting and subsequently updated and agreed by the Board in May 2019.

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.

**Internal Governance Divergences 2021-22**

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

None

Identification of new control issues in current year

None

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 DfE Minister's policies, aims and objectives.



**Richard Williams**  
**15<sup>th</sup> November 2022**

### **Remuneration and Staff Report**

The Remuneration and Staff report sets out Northern Ireland Screen's remuneration policy for our Board Members and Chief Executive, reports on how that policy has been implemented and details the amounts awarded to Board Members and CEO. It also provides details on remuneration and staff that the Northern Ireland Assembly and others see as key to accountability.

The Northern Ireland Screen Board currently consists of a Chair and 11 members. The terms of office have been varied between 3 and 5 years to facilitate the retention of a sufficient level of experience. General Board members do not receive remuneration and are expected to attend Board and Committee meetings totalling approximately 16 days per annum.

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 14.

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 DfE or Northern Ireland Screen. Northern Ireland Screen liaises closely with DfE throughout this process. DfE provide advice and guidance as and when required. Northern Ireland Screen obtains DfE 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 contributions to the Northern Ireland Local Government Officers' Superannuation Committee (NILGOSC) defined benefit scheme.

### **Remuneration Policy**

The pay remit for the Northern Ireland (NI) public sector, including senior civil servants (SCS) in the NICS, is approved by the Minister of Finance. The Minister set the 2021-22 NI public sector pay policy (March 2021). Annual NICS pay awards are made in the context of the wider public sector pay policy. The pay awards for NICS staff, including SCS, for 2020-21 were paid in June and July 2021. The pay awards for 2021-22 were paid in September and October 2021. The pay of NICS staff is based on a system of pay scales for each grade, including SCS, containing a number of pay points from minimum to maximum, allowing progression towards the maximum based on performance.

### **Service Contracts**

The Civil Service Commissioners (NI) Order 1999 requires Civil Service appointments to be made on merit on the basis of fair and open competition. The Recruitment Code published by the Civil Service Commissioners for Northern Ireland specifies the circumstances when appointments may be made otherwise. Unless otherwise stated, the officials covered by this report hold appointments that are open-ended. Early termination, other than for misconduct, would result in consideration of the individual receiving compensation as set out in the Civil Service Compensation Scheme. Further information about the work of the Civil Service Commissioners for Northern Ireland can be found at [www.nicscommissioners.org](http://www.nicscommissioners.org)

**Remuneration and Staff report (subject to audit):**

|                                            | Salary<br>(including<br>pension<br>contributions) | Employer<br>contribution<br>to NILGOSC<br>scheme | Total   | 2020-21<br>Salary<br>(including<br>pension<br>contributions) | Employer<br>contribution<br>to NILGOSC<br>scheme | Total  |
|--------------------------------------------|---------------------------------------------------|--------------------------------------------------|---------|--------------------------------------------------------------|--------------------------------------------------|--------|
|                                            | £000                                              | £000                                             | £000    | £000                                                         | £000                                             | £000   |
| Richard Williams<br><i>Chief Executive</i> | 85-90                                             | 15-20                                            | 100-110 | 75-80                                                        | 15-20                                            | 90-100 |
| Sir David Sterling<br><i>Chair</i>         | 0-5*                                              | -                                                | 0-5     | -                                                            | -                                                | -      |
| Dame Rotha Johnston<br><i>Chair</i>        | 5-10**                                            | -                                                | 5-10    | 10-15                                                        | -                                                | 10-15  |
| Elaine Sperber<br><i>Vice Chair</i>        | 0-5                                               | -                                                | 0-5     | 0-5                                                          | -                                                | 0-5    |

\*Sir David Sterling served as chair for a 2 month period

\*\* Dame Rotha Johnston served as chair for a 10 month period

**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 2021-22 (2020-21: Nil).

**Bonuses**

There were no bonuses accrued or paid in 2021-22 (2020-21: Nil).

#### Fair pay disclosure (subject to audit)

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

The banded remuneration of the highest-paid employee/Accounting Officer in the financial year 2021-22 was £85-£90k (2020-21: £70-75k) an increase of 23% the reason for the large increase was primarily due to a backdated pay award of 4 years. The highest paid Board Member, the Chair was £5-10k, this reflected a period of 10 months in the position (2020-21: £10-15k(12 months)).

The relationship between the mid-point of this band and the remuneration of the organisation's workforce is disclosed below;

|                    | 25 <sup>th</sup><br>percentile<br>£ | Median<br>£ | 2021-22<br>75 <sup>th</sup><br>percentile<br>£ |
|--------------------|-------------------------------------|-------------|------------------------------------------------|
| Total remuneration | 26,575                              | 32,893      | 41,675                                         |
| Pay ratio          | 3.3:1                               | 2.6:1       | 2.1:1                                          |

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

For 2021-22, the 25<sup>th</sup> percentile, median and 75<sup>th</sup> percentile remuneration values consisted solely of salary payments.

In 2021-22, no employees received remuneration in excess of the highest paid director (2021-21: no employees).

Remuneration ranged from £19,815 to £85-90k (2020-21: £17,096 to £70-75k)

#### Percentage Change in Remuneration (subject to audit)

Reporting bodies are also required to disclose the percentage change from the previous financial year in the:

- salary and allowances; and
- performance pay and bonuses of the highest paid director and of their employees as a whole

|                                               | 2021-22 v 2020-<br>21<br>£ |
|-----------------------------------------------|----------------------------|
| Percentage change for:                        |                            |
| Average employee salary and allowances        | 6.1%                       |
| Highest paid director's salary and allowances | 23%                        |

## Northern Ireland Screen Pensions

The company operated the NILGOSC pension scheme at the end of the year effective from 1 April 2013. This is a funded scheme which provides benefits on a "Career Average Revalued Earnings" basis at a normal retirement age of 65. Benefits accrue at the rate of 1/49<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 5.8% and 10.5% 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 project unit method.

|                         | 2021-22 | 2020-21 |
|-------------------------|---------|---------|
|                         | £       | £       |
| Employer's Contribution | 284,066 | 222,492 |

## Pension Benefits (subject to audit)

|                                     | Accrued pension<br>at pension age as<br>at 31 March 2022<br>and related lump<br>sum | Real increase in<br>pension and<br>related lump<br>sum at pension<br>age | CETV at 31<br>March 2021 | CETV at 31<br>March 2022 | Real increase<br>in CETV |
|-------------------------------------|-------------------------------------------------------------------------------------|--------------------------------------------------------------------------|--------------------------|--------------------------|--------------------------|
|                                     | £000                                                                                | £000                                                                     | £000                     | £000                     | £000                     |
| Richard Williams<br>Chief Executive | 20-25 and no lump<br>sum                                                            | 0-2.5 and no lump<br>sum                                                 | 291                      | 337                      | 29                       |
| Sir David Sterling                  | -                                                                                   | -                                                                        | -                        | -                        | -                        |
| Rotha Johnston<br>Chair             | -                                                                                   | -                                                                        | -                        | -                        | -                        |
| Elaine Sperber<br>(Vice Chair)      | -                                                                                   | -                                                                        | -                        | -                        | -                        |

## 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 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 (subject to audit)

No directors of Northern Ireland Screen received any compensation for loss of office during the current or prior year.

#### Staff costs (subject to audit)

|                                                                                                  | Permanently<br>employed staff<br>2022 | Others 2022      | 2022 Total       | 2021 Total       |
|--------------------------------------------------------------------------------------------------|---------------------------------------|------------------|------------------|------------------|
| Administrative expenses:                                                                         | £                                     | £                | £                | £                |
| Salaries                                                                                         | 1,065,732                             | -                | 1,065,732        | 964,021          |
| Social security costs                                                                            | 110,948                               | -                | 110,948          | 92,655           |
| Other pension costs                                                                              | 196,812                               | -                | 196,812          | 172,535          |
|                                                                                                  | <u>1,373,492</u>                      | -                | <u>1,373,492</u> | <u>1,229,211</u> |
| <i>For info only:</i><br>Programme salary expenses (salary cost<br>included in total see note 7) |                                       |                  |                  |                  |
| Salaries                                                                                         | 285,287                               | 1,431,586        | 1,716,873        | 1,278,193        |
| Social security costs                                                                            | 26,113                                | 275,029          | 301,142          | 95,754           |
| Other pension costs                                                                              | 47,562                                | 48,612           | 96,174           | 64,378           |
|                                                                                                  | <u>358,962</u>                        | <u>1,755,227</u> | <u>2,114,189</u> | <u>1,438,325</u> |

## The average number of persons employed (subject to audit)

The average number of Full-Time Equivalent (FTE) persons employed during the year was as follows:

| Information on People                   | 2021-2022 |        |       | 2020-2021 |        |       |
|-----------------------------------------|-----------|--------|-------|-----------|--------|-------|
|                                         | Male      | Female | Total | Male      | Female | Total |
| Directors *                             | -         | 2      | 2     | -         | 2      | 2     |
| Number of Permanent Employees**         | 6         | 19     | 25    | 8         | 25     | 33    |
| Temporary staff / external secondees*** | 39        | 48     | 87    | 92        | 101    | 193   |
| Total                                   | 45        | 69     | 114   | 100       | 128    | 228   |

\*Majority of reporting year's post was fulfilled by a 1x female Chair and 1x female Vice-Chair.

\*\*Core employees comprise the core workforce from Grade 5 to Grade AO.

\*\*\*External secondees are defined as trainees employed by Northern Ireland Screen via the number of industry-related employability schemes offered. The 87 employees referred to above comprise 13 employees on temporary contractual agreements within the workforce and 74 trainees who participate in the industry-related schemes.

## Sickness absence

Annual sickness absence figures can be found in the "Sickness Absence in the Northern Ireland Civil Service 2021/22" report at Sickness Absence in the Northern Ireland Civil Service 2021/22 | Northern Ireland Statistics and Research Agency (NISRA).

For Northern Ireland Screen the sickness absence rate for the year 2021-22 was 0.85% (2020-21: 1.81%), a decrease on the previous year of 0.96%.

## Staff Turnover

The staff turnover rate for the year 2021-22 was 48.8% (2020-21: 95.6%). The high turnover is primarily due to short-term contracts for trainees which typically range from 6 months to 24 months.

## Staff Engagement

Northern Ireland Screen has established a Staff Engagement Committee which is comprised of staff across all disciplines and grades. The Committee provides recommendations for improvements to the Senior Management Team. A number of recommendations were accepted around health and welfare including support for Period Poverty in the organisation.

## **Employment, training and advancement of disabled persons**

Northern Ireland Screen is committed to working towards creating a truly inclusive workplace where all colleagues feel valued. Northern Ireland Screen applies the recruitment principles as set out in the Recruitment Code of the Civil Service Commissioners for Northern Ireland, appointing candidates based on merit through fair and open competition. Mandatory training for recruitment and selection panel members includes raising awareness of unconscious bias. Unconscious bias training is available to all staff. Through CINE Northern Ireland Screen undertakes outreach activities to promote career opportunities to the disability sector.

## **Learning & Development**

Northern Ireland Screen recognises the importance of having skilled and engaged employees and continues to invest in learning and development. Development and delivery of generic staff training generally through the Centre for Applied Learning Training is delivered using a variety of learning delivery channels (including on-line, webinars), providing flexible access to learning. Coherent learning pathways are aligned to both corporate need and the specific requirements of Northern Ireland Screen. Talent management is a key theme of our Strategy to deliver “Skills, Stories and Sustainability 2022-26” and this year the focus continued on promoting the importance of improving our awareness of disability and diversity issues. The Department of Finance is responsible for the NICS Industrial Relations Policy.

## **Equality, Diversity and Inclusion**

In Northern Ireland Screen, we are committed to building an inclusive workplace culture where diversity is truly valued at all levels, where you are valued for who you are and where you can bring your true self to work. We want to make use of all the talent that exists across the NICS to organisation. As a key element of the new Strategy, our ambitious diversity and inclusion programme of work is delivered largely through CINE and our Diversity Action Plan. The Plan sets out our priorities for action by diversity and inclusion theme, and includes supporting plans on communications and outreach. Equality is a cornerstone consideration in the development and review of all HR policies which determine how staff are recruited and appointed, their terms and conditions, how they are managed and developed, assessed, recognised and rewarded. Northern Ireland Screen continues to meet its statutory obligations under the Fair Employment & Treatment (NI) Order 1998, which includes submission of an annual Fair Employment Monitoring Return and a tri-annual Article 55 Review to the Equality Commission for NI (ECNI), both of which assess the composition of the workforce and the composition of applicants and appointees. Northern Ireland Screen uses the findings of all the equality monitoring and analysis to inform its programme of targeted outreach activity to address any areas of under-representation. As a public body, Northern Ireland Screen has due regard to the need to promote equality of opportunity and regard to the desirability of promoting good relations across a range of categories outlined in the Section 75 of the Northern Ireland Act 1998 in carrying out its functions.

## **Off-payroll payments and other matters**

There was no off-payroll payment in year.

There were no disclosures required under:

- Health and safety at work;
- Trade union relationships;
- Human capital management such as career management and employability, pay policy etc.

According to our Equal Opportunity Statement of Policy, Northern Ireland Screen will provide equal opportunity for all job applicants and workers. All recruitment, promotion, training and receipt of any other benefit will be based upon an individual's ability and job performance and will exclude any consideration of an applicant's/worker's religious beliefs, political opinion, gender, sexual orientation, marital or civil partnership status, race, age, disability, having or not having dependants, trade union membership or non-membership or being a part time worker.

Northern Ireland Screen will not directly or indirectly discriminate on the grounds of religious belief or political opinion.

Northern Ireland Screen will continue to promote more sustainable and efficient products and services with the aim of achieving the best long-term, overall value for money for society.

**Expenditure on consultancy**

There was no expenditure on consultancy made during 2021-22 (2020-21: Nil)

**Assembly Accountability and Audit Report: (these sections are subject to audit)**

**Remote contingent liabilities**

There were no remote contingent liabilities as at 31 March 2022 (2020-21: Nil).

**Fees and charges**

There were no fees and charges during 2021-22 (2020-21: Nil).

**Regularity of expenditure.**

All expenditure during 2021-22 has been in line with Managing Public Money NI (MPMNI).

**Losses and special payments.**

There were no losses 2021-22 (2020-21: Nil) and no special payment 2021-22 (2020-21 Nil).



**Richard Williams**  
**15<sup>th</sup> November 2022**

## **NORTHERN IRELAND SCREEN COMMISSION**

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

#### **Opinion on financial statements**

I certify that I have audited the financial statements of the Northern Ireland Screen Commission for the year ended 31 March 2022 under the Companies (Public Sector Audit) Order (Northern Ireland) 2013. The financial statements comprise: the Statement of Comprehensive Net Expenditure, the Statement of Financial Position, the Statement of Cash Flows, the Statement of Changes in Taxpayers' Equity and the related notes, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and UK adopted international accounting standards.

I have also audited the information in the Accountability Report that is described in that report as having been audited.

In my opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2022 and of the net income for the year then ended;
- have been properly prepared in accordance with UK adopted international accounting standards; and
- have been prepared in accordance with the Companies Act 2006.

#### **Opinion on regularity**

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

#### **Basis for opinions**

I conducted my audit in accordance with International Standards on Auditing (ISAs)(UK), applicable law and Practice Note 10 'Audit of Financial Statements and Regularity of Public Sector Bodies in the United Kingdom'. My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of this certificate. My staff and I are independent of the Northern Ireland Screen Commission in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK, including the Financial Reporting Council's Ethical Standard, and have fulfilled our other ethical responsibilities in accordance with these requirements.

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

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

In auditing the financial statements, I have concluded that the Northern Ireland Screen Commission's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the Northern Ireland Screen Commission work I have performed, I have not disclosed in the financial statements any identified any material uncertainties that relating to events or conditions that,

individually or collectively, may cast significant doubt about on the Northern Ireland Screen Commission's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

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

### **Other Information**

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

My responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

I have nothing to report in this regard.

### **Opinion on other matters**

In my opinion:

- the parts of the Accountability Report to be audited have been properly prepared in accordance with the Government Financial Reporting Manual; and
- the information given in the Strategic Report and Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements
- the Strategic Report and Directors' Report have been prepared in accordance with applicable legal requirements.

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

In the light of the knowledge and understanding of the Northern Ireland Screen Commission and its environment obtained in the course of the audit, I have not identified material misstatements in the Strategic Report and Directors' Report. I have nothing to report in respect of the following matters which I report to you if, in my opinion:

- adequate accounting records have not been kept; or
- the financial statements and the parts of the Accountability Report to be audited are not in agreement with the accounting records; or
- certain disclosures of remuneration specified by law are not made; or
- I have not received all of the information and explanations I require for my audit; or
- the Governance Statement does not reflect compliance with the Department of Finance's guidance.

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

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

- the preparation of the financial statements and for being satisfied that they give a true and fair view.
- such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
- assessing the Northern Ireland Screen Commission's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Accounting Officer anticipates that the services provided by the Northern Ireland Screen Commission will not continue to be provided in the future.

### **Auditor's responsibilities for the audit of the financial statements**

My responsibility is to audit, certify and report on the financial statements in accordance with the Companies (Public Sector Audit) Order (Northern Ireland) 2013.

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

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

My procedures included:

- obtaining an understanding of the legal and regulatory framework applicable to the Northern Ireland Screen Commission through discussion with management and application of extensive public sector accountability knowledge. The key laws and regulations I considered included the Companies Act 2006 and relevant tax laws;
- making enquires of management and those charged with governance on the Northern Ireland Screen Commission's compliance with laws and regulations;

- making enquiries of internal audit, management and those charged with governance as to susceptibility to irregularity and fraud, their assessment of the risk of material misstatement due to fraud and irregularity, and their knowledge of actual, suspected and alleged fraud and irregularity;
- completing risk assessment procedures to assess the susceptibility of the Northern Ireland Screen Commission's financial statements to material misstatement, including how fraud might occur. This included, but was not limited to, an engagement director led engagement team discussion on fraud to identify particular areas, transaction streams and business practices that may be susceptible to material misstatement due to fraud. As part of this discussion, I identified potential for fraud in the following areas: revenue recognition, posting of unusual journals and unreasonable management estimates;
- engagement director oversight to ensure the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with the applicable legal and regulatory framework throughout the audit;
- documenting and evaluating the design and implementation of internal controls in place to mitigate *risk of material misstatement due to fraud and non-compliance with laws and regulations*;
- designing audit procedures to address specific laws and regulations which the engagement team considered to have a direct material effect on the financial statements in terms of misstatement and irregularity, including fraud. These audit procedures included, but were not limited to, reading board and committee minutes, and agreeing financial statement disclosures to underlying supporting documentation and approvals as appropriate;
- addressing the risk of fraud as a result of management override of controls by:
  - performing analytical procedures to identify unusual or unexpected relationships or movements;
  - testing journal entries to identify potential anomalies, and inappropriate or unauthorised adjustments;
  - assessing whether judgements and other assumptions made in determining accounting estimates were indicative of potential bias; and
  - investigating significant or unusual transactions made outside of the normal course of business; and

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

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

## Report

I have no observations to make on these financial statements.



*Dorinnia Carville*  
*Comptroller and Auditor General*  
*Northern Ireland Audit Office*  
*106 University Street*  
*BELFAST*  
*BT7 1EU*

*2 December 2022*

**Statement of Comprehensive Net Expenditure  
for the year ended 31<sup>st</sup> March 2022**

|                                                                        | Note | 2022<br>£               | 2021<br>As restated<br>£ |
|------------------------------------------------------------------------|------|-------------------------|--------------------------|
| <b>Income</b>                                                          |      |                         |                          |
| Income from activities                                                 | 4    | 23,889,410              | 22,081,901               |
| Other income                                                           | 4    | <u>72,000</u>           | <u>59,000</u>            |
|                                                                        |      | <u>23,961,410</u>       | <u>22,140,901</u>        |
| <br><b>Expenditure</b>                                                 |      |                         |                          |
| Staff costs                                                            | 5    | (1,373,492)             | (1,229,211)              |
| Depreciation                                                           | 5    | (97,068)                | (40,740)                 |
| Other expenditure                                                      | 5    | (924,726)               | (503,126)                |
| Programme expenses                                                     | 6    | <u>(20,370,192)</u>     | <u>(20,019,085)</u>      |
|                                                                        |      | <u>(22,765,478)</u>     | <u>(21,792,162)</u>      |
| <br><b>Net income for the year</b>                                     |      | <u><b>1,195,932</b></u> | <u><b>348,739</b></u>    |
| <br><b>Other Comprehensive Net Expenditure</b>                         |      |                         |                          |
| Actuarial gain/loss                                                    | 17   | <u>917,000</u>          | <u>(831,000)</u>         |
| <br><b>Total Comprehensive Income/Net<br/>Expenditure for the year</b> |      | <u><b>2,112,932</b></u> | <u><b>(482,261)</b></u>  |

The notes on pages 49 to 73 form part of these financial statements.

**Statement of Financial Position  
as at 31<sup>st</sup> March 2022**

|                                              | Note | 2022<br>£                 | 2021<br>As restated<br>£  |
|----------------------------------------------|------|---------------------------|---------------------------|
| <b>Non-current assets</b>                    |      |                           |                           |
| Property, plant and equipment                | 8    | 206,031                   | 171,652                   |
| <b>Current assets</b>                        |      |                           |                           |
| Trade and other receivables                  | 9    | 2,401,063                 | 832,824                   |
| Cash and cash equivalents                    | 10   | <u>1,751,635</u>          | <u>713,241</u>            |
| <b>Total current assets</b>                  |      | 4,152,698                 | 1,546,065                 |
| <b>Total assets</b>                          |      | <u><b>4,358,729</b></u>   | <u><b>1,717,717</b></u>   |
| <b>Current liabilities</b>                   |      |                           |                           |
| Trade and other payables                     | 11   | (1,872,836)               | (1,029,756)               |
| Provisions                                   | 19   | <u>(175,000)</u>          | <u>-</u>                  |
| <b>Total current liabilities</b>             |      | <u><b>(2,047,836)</b></u> | <u><b>(1,029,756)</b></u> |
| <b>Total assets less current liabilities</b> |      | <u><b>2,310,893</b></u>   | <u><b>687,961</b></u>     |
| <b>Non-current liabilities</b>               |      |                           |                           |
| Retirement benefit obligation                | 17   | <u>(1,562,000)</u>        | <u>(2,052,000)</u>        |
| <b>Net assets/(liabilities)</b>              |      | <u><b>748,893</b></u>     | <u><b>(1,364,039)</b></u> |
| <b>Taxpayers' equity</b>                     |      |                           |                           |
| General fund                                 |      | <u>748,893</u>            | <u>(1,364,039)</u>        |
| <b>Total taxpayers' equity</b>               |      | <u><b>748,893</b></u>     | <u><b>(1,364,039)</b></u> |

The notes on pages 49 to 73 form part of these financial statements.

These financial statements have been prepared in accordance with the Government Financial Reporting Manual 2021-22 (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'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.

The financial statements on pages 45 to 73 were approved by the Board on 15<sup>th</sup> November 2022 and were signed on its behalf by:

*Carmel J. Mullan*  
CARMEL MULLAN, DIRECTOR  
15<sup>th</sup> November 2022

**Statement of Cash Flows  
for the year ended 31<sup>st</sup> March 2022**

|                                                                | <b>Note</b> | <b>2022</b>             | <b>2021</b>              |
|----------------------------------------------------------------|-------------|-------------------------|--------------------------|
|                                                                |             | <b>£</b>                | <b>As restated<br/>£</b> |
| <b>Cash flows from operating activities</b>                    |             |                         |                          |
| Net income for the year                                        |             | 1,195,932               | 348,739                  |
| <b>Adjustments for non-cash transactions:</b>                  |             |                         |                          |
| Depreciation                                                   | 5           | 97,068                  | 40,740                   |
| Adjustment for pension funding                                 | 17          | 427,000                 | 194,001                  |
| Increase in trade and other receivables                        | 9           | (1,568,239)             | (600,454)                |
| Increase in trade and other payables                           | 11          | 843,080                 | 641,419                  |
| Increase in provision                                          | 19          | <u>175,000</u>          | -                        |
| <b>Net cash inflow from operating activities</b>               |             | <b>1,169,841</b>        | <b>624,445</b>           |
| <b>Cash flows from investing activities</b>                    |             |                         |                          |
| Purchase of property, plant and equipment                      | 8           | <u>(131,447)</u>        | <u>(74,347)</u>          |
| <b>Net cash outflow from investing activities</b>              |             | <b><u>(131,447)</u></b> | <b><u>(74,347)</u></b>   |
| <b>Net increase in cash and cash equivalents in the period</b> |             | <b>1,038,394</b>        | <b>550,098</b>           |
| <b>Cash and cash equivalents at beginning of the year</b>      | 10          | <b><u>713,241</u></b>   | <b><u>163,143</u></b>    |
| <b>Cash and cash equivalents at end of the year</b>            | 10          | <b><u>1,751,635</u></b> | <b><u>713,241</u></b>    |

The notes on pages 49 to 73 form part of these financial statements.

## Statement of Changes in Taxpayers' Equity

For the year ended 31 March 2022

|                                                                 | Note | General fund<br>£             |
|-----------------------------------------------------------------|------|-------------------------------|
| <b>Balance at 1<sup>st</sup> April 2020</b>                     |      | <b>(881,778)</b>              |
| Change in reserves 2021                                         |      |                               |
| Net expenditure for the year (excluding auditor's remuneration) |      | 362,739                       |
| Auditor's Remuneration                                          |      | (14,000)                      |
| Actuarial loss                                                  | 17   | <u>(831,000)</u>              |
| Total recognised charges for the year                           |      | <u>(482,261)</u>              |
| Balance at 31 <sup>st</sup> March 2021                          |      | <u>(1,364,039)</u>            |
| <br><b>Balance at 31<sup>st</sup> March 2021</b>                |      | <br><b><u>(1,364,039)</u></b> |
| Net Income (excluding auditors remuneration)                    |      | 1,219,932                     |
| Auditors Remuneration                                           |      | (24,000)                      |
| Actuarial Gain                                                  | 17   | <u>917,000</u>                |
| Total recognised in changes for the year                        |      | <u>2,295,432</u>              |
| <br><b>Balance at 31<sup>st</sup> March 2022</b>                |      | <br><b><u>748,893</u></b>     |

The notes on pages 49 to 73 form part of these financial statements.

## 1 Statement of accounting policies

Northern Ireland Screen was incorporated in the United Kingdom as a Private Limited Company by guarantee without share capital use of 'Limited' exemption. Registered office address is 3<sup>rd</sup> Floor, Alfred House, 21 Alfred Street, Belfast, BT2 8ED.

Principal activities include;

- Support the development of the screen industry in Northern Ireland including development and production funding, funding for training and the support of marketing activity;
- Development and support of the infrastructure underpinning the screen industry in Northern Ireland;
- Provide company development support initiatives for local production companies;
- Provide skills development/training for the industry;
- Provide support for the cultural aspects of the screen industry in Northern Ireland including audience development, screen festivals and cultural cinema;
- Support all aspects of preservation of and access to screen archive and audio-visual heritage; and
- Development of moving image and digital education provision

The financial statements have been prepared in accordance with the 2021-22 Government Financial Reporting Manual (FReM). 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. See note 24 for additional disclosures required to comply with FReM.

Northern Ireland Screen have departed from FReM for non DfE and DfC funds which are accounted for under Government Grants. There is a departure from FReM recognising Grant in Aid income in the statement of comprehensive net expenditure instead of directly to the Statement of changes in tax payers equity to ensure compliance with the Companies Act 2006.

The particular policies adopted by Northern Ireland Screen for each income stream are described below in note 2 and have been applied consistently.

### 1.1 Accounting convention

The financial statements are prepared under the historical cost convention to account for the revaluation of property, plant and equipment, intangible assets and certain financial assets and liabilities.

The Accounts are stated in sterling (£), which is the Northern Ireland Screen's functional and presentational currency and rounded to the nearest £1.

**1.2 Property, plant and equipment**

Property, plant and equipment are at valuation and deemed valuation is depreciated historical cost as proxy value as assets have a short useful life.

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

|                        |                                 |
|------------------------|---------------------------------|
| Computer equipment     | 33.3% reducing balance          |
| Intangible Assets      | 33.3% straight line             |
| Vehicles               | 33.3% straight line             |
| TV and video equipment | 25% reducing balance            |
| Fixtures and fittings  | 25% reducing balance            |
| Office equipment       | 25% reducing balance            |
| Production Equipment   | 50% straight line/life of lease |

**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. Any authorised recoupment must be reinvested in the fund within the financial year. Northern Ireland Screen does not retain ownership of the recoupment.

Programme expenditure are recognised once the conditions of the contract are made and there is an obligation from Northern Ireland Screen to make the payment for program expenses.

**1.4 Pensions**

The company was part of the NILGOSC (Northern Ireland Local Government Officers' Superannuation Committee) pension scheme, effective from 1<sup>st</sup> 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 last full actuarial valuation of the scheme occurred on 1<sup>st</sup> April 2016. The latest actuarial valuations of the scheme were at 31<sup>st</sup> March 2021.

Pension scheme assets are measured using the market value. Pension scheme liabilities are measured using the projected unit credit 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 Other Comprehensive Net Expenditure.

**1.5 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.

**1.6 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 and pension liability.

### 1.7 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.

### 1.8 Accounting standards, interpretations and amendments to published Standards not yet effective

Northern Ireland Screen has considered those new Standards, interpretations and amendments to existing Standards which have been published and are mandatory for the accounting periods beginning on or after 1 April 2022 or later periods, but which Northern Ireland Screen has not adopted early. Other than as outlined below, Northern Ireland Screen considers that these Standards are not relevant or material to its operations.

|                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
|-------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Standard                | IFRS 16 Leases (replaces IAS 17 Leases and related interpretations)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| Effective date          | January 2019 (EU endorsed 31 October 2017)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| FreM application        | 2022-23                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| Description of revision | <p>The IASB issued IFRS 16 in January 2016 with an effective date for annual periods beginning on or after 1 January 2019. Early application is permitted for those entities applying IFRS 15.</p> <p>IFRS 16 represents a significant change in lessee accounting by largely removing the distinction between operating and finance leases and introducing a single lessee accounting model. A lessee is required to capitalise assets and liabilities for all leases, unless they qualify for low value or short-term exemptions. In addition, there are updated disclosure requirements.</p> <p>The lessor accounting model is generally unchanged from IAS 17 but entities should be aware of the introduction and impacts of IFRS 9 Financial Instruments, enhanced disclosure requirements and that a sub-lessor now determines whether a lease is finance or operating based on the right of use asset it subleases.</p> |
| Comments                | <p>IFRS 16 Leases replaces IAS 17 Leases and is effective with EU adoption from 1 January 2019. In line with the requirements of the FreM, IFRS 16 will be implemented, as interpreted and adapted for the public sector, with effect from 1 April 2022.</p> <p>Northern Ireland Screen has undertaken a preliminary assessment of the potential impact of IFRS 16 on its future financial statements. It is currently considered that approximately £320k of leases (predominately premises leases) will be capitalised on the Statement of Financial Position in 2022-23 and it is not expected to have a material impact on the Statement of Comprehensive Net Expenditure</p>                                                                                                                                                                                                                                               |

## 1.9 Financial instruments

As the cash requirements of Northern Ireland Screen are met through grants from DfE, DfC and other grant funding bodies, financial instruments play a more limited role in creating risk than would apply to a non-public body of a similar size. 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 therefore Northern Ireland Screen is exposed to little credit, liquidity or market risk.

### Trade and other receivables

Financial assets within trade and other receivables are initially recognised at fair value, which is usually the original invoiced amount and subsequently carried at amortised cost using the effective interest rate method less provision for doubtful receivables. Provisions are made specifically where there is objective evidence of a dispute or inability to pay.

### Cash and cash equivalents

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

For the purposes of the Consolidated Statement of Cash Flows, cash and cash equivalents are defined above net of outstanding bank overdrafts.

### Trade and other payables

Financial liabilities within trade and other payables are initially recognised at fair value, which is usually the original invoiced amount and subsequently carried at amortised cost using the effective interest rate method.

## 1.10 Going concern

All liabilities will be met by future grant-in-aid, received from and approved annually by DfE. DfE core grant funding for 2021-22 has been approved at a value of £13.345m. Planned activities for 2021-22 have been formulated in light of the requested funding applied to DfE. Therefore, the future financing of any Northern Ireland Screen liabilities is expected to be met by DfE. The uncertainty as to the future impact of the COVID-19 pandemic has also been considered as part of the organisation's adoption of the going concern basis. It is considered appropriate to adopt a going concern basis for the preparation of the financial statements as the DfE, sponsor department of Northern Ireland Screen, is supply financed. There is no reason to believe that the Department's future sponsorship and future Assembly approval will not be forthcoming to meet Northern Ireland Screen's liabilities as they fall due which includes any pension deficit. An amount of £1.6m recoverable expenditure in relation to a large scale grant has had a positive impact on debtors and net equity at year end. In this context, the accounts have been prepared on a going concern basis.

**2 Income Recognition**

Northern Ireland Screen recognises income as follows;

**Grant In Aid**

*Income received from DfE<sup>1</sup> and DfC<sup>2</sup> is recognised as Grant-in-aid which is provided to match the Northern Ireland Screens cash needs and is accounted for on a cash basis.*

**Grant Income**

Grant income from funders DCMS<sup>3</sup> for ILBF<sup>4</sup> and USBF<sup>5</sup>, TCAGSM<sup>6</sup>, Lottery Arts Council and BFI<sup>7</sup> are generally drawn down in advance to ensure prompt settlement of anticipated claims and expenditure. The expenditure may therefore not be incurred in the same accounting period that the funds are received. The directors consider that recognising income on a cash basis would result in the recognition of a surplus in the period of receipt, and a deficit when the related expenditure is incurred, which would not give a true and fair view of the underlying activities and performance for those periods.

Grants for revenue purposes are credited to deferred income and released to the statement of comprehensive net income/expenditure as the related expenditure is incurred.

**Company Contribution Income**

Income from companies where trainees are placed and the company bears 50% of the cost is treated as a vatable sale and the amounts are stated net of VAT. This revenue is recognised over the time the services are rendered on an agreed rate with the company. Company contribution income is included in the various funding income category.

**Recoupment Income**

In line with IFRS 15 income in relation to recoupment is included in the accounts at the point it becomes receivable. Recoupment is returns from conditional grants/investments made through the Screen Fund. This is not across all contracts and each contract will have their own express details on whether recoupment is applicable and the specified %. Due to the unpredictable nature of projects and whether they will be successful it is difficult to predict estimated recoupment income for a project. Recoupment income is recognised on receipt of a statement of account from the company or when the payment is received in the bank where no statement is provided. Northern Ireland Screen has the authority to retain up to £200,000 or with the approval of the Department can apply to retain in excess of this value in line with the MSFM.

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<sup>1</sup> Department for The Economy

<sup>2</sup> Department for Communities

<sup>3</sup> Department for Digital, Culture, Media and Sport

<sup>4</sup> Irish Language Broadcast Fund

<sup>5</sup> Ulster Scots Broadcast Fund

<sup>6</sup> Department for Tourism, Culture, Arts, Gaeltacht, Sport and Media

<sup>7</sup> British Film Institute

**3 Net expenditure for the year is stated after charging:**

|                                                                                      | <b>2022</b>   | <b>2021</b>   |
|--------------------------------------------------------------------------------------|---------------|---------------|
|                                                                                      | <b>£</b>      | <b>£</b>      |
| Depreciation of property, plant and equipment                                        | 97,068        | 40,740        |
| Payments under operating leases                                                      | 83,122        | 83,122        |
| Fees payable to the company's auditor for the audit of the company's annual accounts | <u>24,000</u> | <u>14,000</u> |

**Note**

Northern Ireland Screen's financial audit is carried out by the Northern Ireland Audit Office (NIAO) on behalf of the Comptroller and Auditor General.

**4 Income and Other income**

|                                                            | <b>2022</b>              | <b>As restated<br/>2021</b> |
|------------------------------------------------------------|--------------------------|-----------------------------|
|                                                            | <b>£</b>                 | <b>£</b>                    |
| <b>Funding Income</b>                                      |                          |                             |
| Department for Communities                                 | 2,401,000                | 2,774,061                   |
| Department for the Economy                                 | 13,345,000               | 13,070,772                  |
| Recoupment                                                 | 673,967                  | 1,145,099                   |
| Department for Digital, Culture, Media & Sport (DCMS) ILBF | 3,930,201                | 3,180,200                   |
| TCAGSM                                                     | 847,457                  | -                           |
| DCMS – BFI – USBF                                          | 1,521,470                | 786,410                     |
| BFI                                                        | 164,819                  | 220,045                     |
| Arts Council                                               | 244,292                  | 244,450                     |
| Various funding Income                                     | <u>761,204</u>           | <u>660,864</u>              |
|                                                            | <u>23,889,410</u>        | <u>22,081,901</u>           |
|                                                            | <b>2022</b>              | <b>2021</b>                 |
|                                                            | <b>£</b>                 | <b>£</b>                    |
| <b>Other Income</b>                                        |                          |                             |
| Pension Interest                                           | <u>72,000</u>            | <u>59,000</u>               |
| <b>Total income</b>                                        | <u><u>23,961,410</u></u> | <u><u>22,140,901</u></u>    |

| 5    | <b>Administrative expenses</b>                         | <b>2022</b>       | <b>As restated</b> |
|------|--------------------------------------------------------|-------------------|--------------------|
|      |                                                        | <b>£</b>          | <b>£</b>           |
|      | Staff costs                                            | <u>1,373,492</u>  | <u>1,229,211</u>   |
|      | <b>Other expenditure</b>                               |                   |                    |
|      | Premises expenses                                      | 142,844           | 111,414            |
|      | Office overheads                                       | 92,510            | 103,620            |
|      | Pension – Interest Expense                             | 112,000           | 80,000             |
|      | Pension – Service Cost                                 | 387,000           | 173,000            |
|      | Professional Fees                                      | 146,174           | -                  |
|      | Staff and Board expenses                               | <u>44,198</u>     | <u>35,092</u>      |
|      |                                                        | <u>924,726</u>    | <u>503,126</u>     |
|      | Depreciation                                           | <u>97,068</u>     | <u>40,740</u>      |
| <br> |                                                        |                   |                    |
| 6    | <b>Programme expenses</b>                              |                   |                    |
|      |                                                        | <b>2022</b>       | <b>2021</b>        |
|      |                                                        | <b>£</b>          | <b>£</b>           |
|      | Northern Ireland Screen Fund                           | 8,878,203         | 10,496,581         |
|      | Ulster-Scots Broadcast Fund                            | 1,431,092         | 716,415            |
|      | Skills development                                     | 1,825,840         | 1,736,595          |
|      | Irish Language Broadcast Fund                          | 4,758,946         | 3,045,467          |
|      | Creative Learning Centres in Education & Academy (DFC) | 1,061,432         | 1,150,625          |
|      | Lottery Film Funding Programme                         | 219,292           | 222,150            |
|      | Third party organisations (DFC)                        | 335,805           | 353,100            |
|      | Film Clubs (DFC)                                       | 221,000           | 334,340            |
|      | Development Activity                                   | 40,901            | 189,665            |
|      | Production legal fees                                  | 71,679            | 157,719            |
|      | Marketing and information                              | 350,303           | 313,000            |
|      | Education and digital archive (DFC)                    | 96,030            | 92,153             |
|      | BFI – Heritage                                         | 13,622            | -                  |
|      | British Film Institute Academy                         | 152,187           | 182,200            |
|      | PRONI                                                  | 112,232           | 121,224            |
|      | Broadcasting Association Ireland                       | 75,727            | 245,536            |
|      | ScreenWorks (DFC)                                      | 202,400           | 184,000            |
|      | Renewal Projects inc Capital funds (DFC)               | <u>523,501</u>    | <u>478,315</u>     |
|      |                                                        | <u>20,370,192</u> | <u>20,019,085</u>  |

**7 Staff Costs**

|                                                                                                    | Permanently<br>employed staff<br>2022 | Others 2022      | 2022 Total       | 2021 Total       |
|----------------------------------------------------------------------------------------------------|---------------------------------------|------------------|------------------|------------------|
| <b>Administrative expenses:</b>                                                                    | £                                     | £                | £                | £                |
| Salaries                                                                                           | 1,065,732                             | -                | 1,065,732        | 964,021          |
| Social security costs                                                                              | 110,948                               | -                | 110,948          | 92,655           |
| Other pension costs                                                                                | 196,812                               | -                | 196,812          | 172,535          |
|                                                                                                    | <u>1,373,492</u>                      | -                | <u>1,373,492</u> | <u>1,229,211</u> |
| <b>For info only:<br/>Programme salary expenses (salary cost<br/>included in total see note 7)</b> |                                       |                  |                  |                  |
| Salaries                                                                                           | 285,287                               | 1,431,586        | 1,716,873        | 1,278,193        |
| Social security costs                                                                              | 26,113                                | 275,029          | 301,142          | 95,754           |
| Other pension costs                                                                                | 47,562                                | 48,612           | 96,174           | 64,378           |
|                                                                                                    | <u>358,962</u>                        | <u>1,755,227</u> | <u>2,114,189</u> | <u>1,438,325</u> |

The average number of persons employed:

The following section is subject to audit.

The average number of Full-Time Equivalent (FTE) persons employed during the year was as follows:

|                                         | 2021-2022 |           |            | 2020-2021  |            |            |
|-----------------------------------------|-----------|-----------|------------|------------|------------|------------|
| Information on People                   | Male      | Female    | Total      | Male       | Female     | Total      |
| Directors *                             | -         | 2         | 2          | -          | 2          | 2          |
| Number of Permanent Employees**         | 6         | 19        | 25         | 8          | 25         | 33         |
| Temporary staff / external secondees*** | 39        | 48        | 87         | 92         | 101        | 193        |
| <b>Total</b>                            | <b>45</b> | <b>69</b> | <b>114</b> | <b>100</b> | <b>128</b> | <b>228</b> |

\*Majority of reporting year's post was fulfilled by a 1x female Chair and 1x female Vice-Chair.

\*\*Core employees comprise the core workforce from Grade 5 to Grade AO.

\*\*\*External secondees are defined as trainees employed by Northern Ireland Screen via the number of industry-related employability schemes offered. The 86 employees referred to above comprise 12 employees on temporary contractual agreements within the workforce and 74 trainees who participate in the industry-related schemes.

**8 Property, plant and equipment****2021-22**

|                                     | Production<br>Vehicle | Fixtures<br>Fittings | Office<br>Equipment | Computer<br>TV<br>Equipment | Production<br>Equipment | Intangible<br>Assets | Total   |
|-------------------------------------|-----------------------|----------------------|---------------------|-----------------------------|-------------------------|----------------------|---------|
| Cost                                | £                     | £                    | £                   | £                           | £                       | £                    | £       |
| 1 April 2021                        | 18,576                | 152,679              | 40,453              | 231,893                     | 215,896                 | -                    | 659,497 |
| Additions                           | -                     | 1,698                | -                   | 100,949                     | -                       | 28,800               | 131,447 |
| 31 Mar 2022                         | 18,576                | 154,377              | 40,453              | 332,842                     | 215,896                 | 28,800               | 790,944 |
| <b>Accumulated<br/>Depreciation</b> |                       |                      |                     |                             |                         |                      |         |
| 1 April 2021                        | 13,069                | 71,846               | 40,309              | 146,725                     | 215,896                 | -                    | 487,845 |
| Charge for Year                     | 5,507                 | 20,632               | 36                  | 61,389                      | -                       | 9,504                | 97,068  |
| 31 Mar 2022                         | 18,576                | 92,477               | 40,345              | 208,114                     | 215,896                 | 9,504                | 584,913 |
| <b>Net Book Value</b>               |                       |                      |                     |                             |                         |                      |         |
| 31 Mar 2022                         | -                     | 61,900               | 108                 | 124,728                     | -                       | 19,296               | 206,031 |
| 31 Mar 2021                         | 5,507                 | 80,834               | 144                 | 85,168                      | -                       | -                    | 171,652 |

2020-21

| Fixed Assets Schedule           | Production Vehicle | Fixtures & Fittings | Office Equipment | Computer / TV Equipment | Production Equipment | Totals  |
|---------------------------------|--------------------|---------------------|------------------|-------------------------|----------------------|---------|
| Cost                            | £                  | £                   | £                | £                       | £                    | £       |
| 1 April 2020 *                  | 18,576             | 118,423             | 40,453           | 191,802                 | 215,896*             | 585,150 |
| Additions                       | -                  | 34,256              | -                | 40,091                  | -                    | 74,347  |
| 31 Mar 2021                     | 18,576             | 152,679             | 40,453           | 231,893                 | 215,896              | 659,497 |
| <b>Accumulated Depreciation</b> |                    |                     |                  |                         |                      |         |
| 1 April 2020*                   | 10,316             | 56,320              | 40,261           | 124,312                 | 215,896*             | 447,105 |
| Charge for Year                 | 2,753              | 15,526              | 48               | 22,413                  | -                    | 40,740  |
| 31 Mar 2021                     | 13,069             | 71,846              | 40,309           | 146,725                 | 215,896              | 487,845 |
| <b>Net Book Value</b>           |                    |                     |                  |                         |                      |         |
| 31 Mar 2021                     | 5,507              | 80,833              | 144              | 85,168                  | -                    | 171,652 |
| 31 Mar 2020                     | 8,260              | 62,103              | 192              | 67,490                  | -                    | 138,045 |

\* Production equipment was incorrectly excluded from 2020-21 accounts. The cost and accumulated depreciation have been added back in for completeness and comparison.

## 9 Trade and other receivables

|                   | 2022             | As restated 2021 |
|-------------------|------------------|------------------|
|                   | £                | £                |
| Trade receivables | 164,458          | 184,724          |
| Other Debtors     | 2,194,805        | 569,070          |
| VAT receivable    | -                | 551              |
| Grants receivable | 32               | 32,923           |
| Prepayments       | <u>41,768</u>    | <u>45,556</u>    |
|                   | <u>2,401,063</u> | <u>832,824</u>   |

**10 Cash and cash equivalents**

|                                                 | <b>2022</b>      | <b>2021</b>    |
|-------------------------------------------------|------------------|----------------|
|                                                 | <b>£</b>         | <b>£</b>       |
| At 1 <sup>st</sup> April                        | 713,241          | 163,143        |
| Net change in cash and cash equivalent balances | <u>1,038,394</u> | <u>550,098</u> |
| At 31 <sup>st</sup> March                       | <u>1,751,635</u> | <u>713,241</u> |
|                                                 | <b>2022</b>      | <b>2021</b>    |
|                                                 | <b>£</b>         | <b>£</b>       |
| Represented by:                                 |                  |                |
| Cash at bank and in hand                        | <u>1,751,635</u> | <u>713,241</u> |

Northern Ireland Screen is responsible for distributing Lottery funds under the Lottery Film Funding Programme. Cash and cash equivalents include a balance of funds held by the company for distribution under this programme. As at 31<sup>st</sup> March 2022 the balance held was £62,732 (2020-21: £70,136). The movement in the Lottery Film Funding Programme is summarised in note 12.

Also included within cash and cash equivalents is £829,102 (2020-21: £457,172) in relation to the Ulster-Scots Broadcast Fund which will be spent in the financial year 2022-23. Cash balances represent deposits held in commercial banks.

**11 Trade and other payables**

|                                           | <b>2022</b>      | <b>As restated<br/>2021</b> |
|-------------------------------------------|------------------|-----------------------------|
|                                           | <b>£</b>         | <b>£</b>                    |
| Trade creditors                           | 140,340          | 27,090                      |
| Accruals                                  | 737,617          | 789,617                     |
| Deferred Income                           | 829,102          | -                           |
| Deferred Income – Lottery funds (Note 12) | 59,792           | 70,136                      |
| Other tax and social security             | 99,129           | 142,913                     |
| Other Creditors                           | <u>6,856</u>     | <u>-</u>                    |
|                                           | <u>1,872,836</u> | <u>1,029,756</u>            |

**12 Lottery funds (National Lottery Film Funding Programme)**

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

|                                        | <b>2022</b>     | <b>As restated<br/>2021</b> |
|----------------------------------------|-----------------|-----------------------------|
|                                        | <b>£</b>        | <b>£</b>                    |
| Funds held at start of year            | 70,136          | 29,678                      |
| Lottery funds received during the year | 233,948         | 284,928                     |
| Awards paid                            | (211,942)       | (219,470)                   |
| Administration costs/Legal Fees        | <u>(32,350)</u> | <u>(25,000)</u>             |
| Funds held at end of year              | <u>59,792</u>   | <u>70,136</u>               |

**13 Commitments under operating leases**

At 31<sup>st</sup> March 2022 the company had two outstanding commitments under non-cancellable operating leases:

|                            | Land and<br>Buildings<br>£ | 2022<br>Other<br>£ | Land and<br>Buildings<br>£ | 2021<br>Other<br>£ |
|----------------------------|----------------------------|--------------------|----------------------------|--------------------|
| Expiring:                  |                            |                    |                            |                    |
| Within one year            | 81,756                     | 1,366              | -                          | 83,122             |
| Between one and five years | <u>197,577</u>             | <u>1,670</u>       | -                          | <u>200,612</u>     |
|                            | <u>279,333</u>             | <u>3,036</u>       | -                          | <u>283,734</u>     |

**14 Related party transactions**

Northern Ireland Screen is a Non-Departmental Public Body (NDPB) sponsored by the Department for the Economy (DfE). DfE is regarded as a related party. During the year, Northern Ireland Screen Commission had various material transactions with the Department (see note 4).

Directors and key management personnel also declare any interests 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 | 2022<br>£        | As restated<br>2021<br>£ |
|-------------------------|-----------------|----------------------------------------|------------------|--------------------------|
| Dog Ears Ltd            | Fionnuala Deane | Director                               | 40,090           | 178,350                  |
| DECSM Ltd               | Fionnuala Deane | Director                               | -                | 135,000                  |
| CQAF                    | Susan Picken    | Director                               | 15,000           | -                        |
| Below the Radar         | Michael Fanning | Director                               | 1,125,793        | 377,500                  |
| Puffin Rock Ltd         | Fionnuala Deane | Director                               | 18,100           | 99,500                   |
| New Regency Productions | Mark Huffam     | Director                               | 190,000          | 1,740,025                |
|                         |                 | <b>Total</b>                           | <b>1,388,983</b> | <b>2,530,375</b>         |

The above directors and key management personnel were excluded from decision making in applications made from organisations where a related party relationship existed.

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

| Organisation | Name         | Relationship to Recipient organisation | 2022<br>£ | As restated<br>2021<br>£ |
|--------------|--------------|----------------------------------------|-----------|--------------------------|
| Humain Ltd   | Greg Maguire | Director                               | 56,802    | 39,018                   |

There were no amounts due from or due to the directors or any other related parties as at 31<sup>st</sup> March 2022 (31<sup>st</sup> March 2021: Nil)

# 15 Film award payments

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

|                               | 2022<br>£         | 2021<br>£         |
|-------------------------------|-------------------|-------------------|
| Lottery                       | 211,942           | 219,450           |
| Irish Language Broadcast Fund | 3,892,603         | 2,630,850         |
| Ulster-Scots Broadcast Fund   | 1,297,626         | 675,770           |
| Northern Ireland Screen Fund  | <u>8,869,203</u>  | <u>10,496,581</u> |
|                               | <u>14,271,374</u> | <u>14,022,651</u> |

# 16 Production awards contracted

|                                    | Unpaid<br>Contracts as<br>at 01st April<br>21 | Contracts<br>Awarded In<br>Year | Less De-<br>Committed | Contract<br>Payments in<br>Year | Unpaid<br>Contracts as<br>at 31st March<br>22 |
|------------------------------------|-----------------------------------------------|---------------------------------|-----------------------|---------------------------------|-----------------------------------------------|
|                                    | £                                             | £                               | £                     | £                               | £                                             |
| Lottery 2014-2017                  | 6,700                                         | -                               | -                     | -                               | 6,700                                         |
| Lottery                            | 145,165                                       | 234,172                         | (13,597)              | (211,942)                       | 153,798                                       |
| Northern<br>Ireland Screen<br>Fund | 4,695,466                                     | 7,621,680                       | (157,109)             | (8,869,203)                     | 3,290,834                                     |
| Ulster-Scots<br>Broadcast Fund     | 981,100                                       | 1,857,353                       | (179,593)             | (1,297,626)                     | 1,361,234                                     |
| Irish Language<br>Broadcast Fund   | <u>1,573,280</u>                              | <u>4,996,782</u>                | <u>(130,000)</u>      | <u>(3,892,603)</u>              | <u>2,547,459</u>                              |
|                                    | <u>7,401,711</u>                              | <u>14,709,987</u>               | <u>(480,299)</u>      | <u>(14,271,374)</u>             | <u>7,360,025</u>                              |

Northern Ireland Screen is responsible for distributing Lottery funds under the Lottery Film Funding Programme. The programme is summarised in note 12. The 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.

**17 Retirement benefit obligation**

NILGOSC (Northern Ireland Local Government Officers' Superannuation Committee) pension scheme was introduced at the end of the 2014 year effective from 1<sup>st</sup> 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 2022, the contribution rates were 19.5% for employers and ranging between 5.5% and 10.5% for 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 and its employees to pay contributions into the Fund, calculated at a level intended to balance the retirement benefit obligation with investment assets. The Fund Administering Authority, Northern Ireland Local Government Officers' Superannuation Committee is responsible for the governance of the Fund.

The employer's regular contributions to the Fund for the accounting period ending 31<sup>st</sup> March 2022 are estimated to be £0.214m (2021 £0.216m).

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

**Key Assumptions**

The latest 4 valuation of NI Screen's liabilities took place as at 31<sup>st</sup> March 2019. 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 <sup>st</sup> March<br>2022<br>% p.a. | 31 <sup>st</sup> March<br>2021<br>% p.a. |
|-----------------------------------|------------------------------------------|------------------------------------------|
| Discount rate                     | 2.7                                      | 2.1                                      |
| CPI Inflation                     | 2.8                                      | 2.6                                      |
| Pension increases                 | 2.8                                      | 2.6                                      |
| Pension accounts revaluation rate | 2.8                                      | 2.6                                      |
| Salary increases                  | 4.3                                      | 4.1                                      |

**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. Samples of life expectancy at age 65 resulting from these mortality assumptions are shown below.

| Post retirement mortality (retirement in normal health) | 31 <sup>st</sup> March 2022 | 31 <sup>st</sup> March 2021 |
|---------------------------------------------------------|-----------------------------|-----------------------------|
| <b>Males</b>                                            |                             |                             |
| Member aged 65 at accounting date                       | 21.8                        | 21.9                        |
| Member aged 45 at accounting date                       | 23.2                        | 23.3                        |
| <b>Females</b>                                          |                             |                             |
| Member aged 65 at accounting date                       | 25.0                        | 25.1                        |
| Member aged 45 at accounting date                       | 26.4                        | 26.5                        |

**Commutation**

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

**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).

The Administering Authority does not invest in the property of assets related to it. 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.

|                    | Value at 31 March 2022 |              |             | Value at 31 March 2021 |
|--------------------|------------------------|--------------|-------------|------------------------|
|                    | Quoted %               | Unquoted %   | Total %     | Total %                |
| Equities           | 42.8                   | 0.1          | 42.9        | 46.3                   |
| Property           | -                      | 10.0         | 10.0        | 8.9                    |
| Government bonds   | 24.7                   | -            | 24.7        | 23.6                   |
| Corporate bonds    | 2.2                    | -            | 2.2         | 12.1                   |
| Multi Asset Credit | 13.1                   | -            | 13.1        |                        |
| Cash               | 4.0                    | -            | 4.0         | 5.3                    |
| Other*             | -                      | 3.1          | 3.1         | 3.8                    |
| <b>Total</b>       | <b>86.8%</b>           | <b>13.2%</b> | <b>100%</b> | <b>100%</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<br>2022<br>£M | Value as at 31<br>March 2021<br>£M |
|--------------------------------------------------------------------|------------------------------------|------------------------------------|
| Fair value of assets                                               | 3.805                              | 3.253                              |
| Present value of funded defined benefit obligation                 | (5.367)                            | (5.305)                            |
| <b>Funded status</b>                                               | <b>(1,562)</b>                     | <b>(2,052)</b>                     |
| Unrecognised asset                                                 | -                                  | -                                  |
| <b>Liability recognised on the statement of financial position</b> | <b>(1,562)</b>                     | <b>(2,052)</b>                     |

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

|                     |     |
|---------------------|-----|
| Active members      | 84% |
| Deferred pensioners | 10% |
| Pensioners          | 6%  |

**Breakdown of amounts recognised in the Statement of Comprehensive Net Expenditure**

|                                                                            | Year ended<br>31 March<br>2022 (£M) | Year ended<br>31 March<br>2021 (£M) |
|----------------------------------------------------------------------------|-------------------------------------|-------------------------------------|
| <b>Operating cost</b>                                                      |                                     |                                     |
| Current service cost                                                       | 0.620                               | 0.389                               |
| Past service cost (incl. curtailments)                                     | -                                   | -                                   |
| Settlement cost                                                            | -                                   | -                                   |
| <b>Financing cost</b>                                                      |                                     |                                     |
| Net interest on net defined benefit liability/(asset)                      | 0.040                               | 0.021                               |
| <b>Pension expense recognised in profit and loss</b>                       | <b>0.660</b>                        | <b>0.410</b>                        |
| <b>Remeasurements in OCI</b>                                               |                                     |                                     |
| Return on plan assets (in excess of)/below that recognised in net interest | (0.181)                             | (0.501)                             |
| Actuarial losses/ (gains) due to changes in financial assumptions          | (0.698)                             | 1.359                               |
| Actuarial results/ (gains) due to changes in demographic assumptions       | (0.054)                             | -                                   |
| Actuarial (gains)/losses due to liability experience                       | 0.016                               | (0.027)                             |
| <b>Total amount recognised in OCI</b>                                      | <b>(0.917)</b>                      | <b>0.831</b>                        |
| <b>Total amount recognised</b>                                             | <b>(0.257)</b>                      | <b>1,241</b>                        |

Allowance for administration expenses included in Current Service Cost (£M)

0.006

**Changes to the present value of the defined benefit obligation**

|                                                                      | Year ended 31<br>March 2022<br>(£M) | Year ended 31<br>March 2021<br>(£M) |
|----------------------------------------------------------------------|-------------------------------------|-------------------------------------|
| <b>Opening defined benefit obligation</b>                            | <b>5.305</b>                        | <b>3.445</b>                        |
| Current service cost                                                 | 0.620                               | 0.389                               |
| Interest expense on defined benefit obligation                       | 0.112                               | 0.080                               |
| Contributions by participants                                        | 0.082                               | 0.075                               |
| Actuarial losses/(gains) due to changes in financial assumptions     | (0.698)                             | 1.359                               |
| Actuarial results/ (gains) due to changes in demographic assumptions | (0.054)                             | -                                   |
| Actuarial losses due to liability experience                         | 0.016                               | (0.027)                             |
| Net benefits paid out <sup>#</sup>                                   | (0.016)                             | (0.016)                             |
| Past service cost (inc curtailments)                                 | 0                                   | -                                   |
| Net increase in liabilities from disposals/acquisitions              | 0                                   | -                                   |
| Settlements                                                          | 0                                   | -                                   |
| <b>Closing defined benefit obligation</b>                            | <b>5.367</b>                        | <b>5.305</b>                        |

<sup>#</sup> Consists of net cashflow 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 £6,000 (2020: £5,000).

**Changes to the fair value of assets**

|                                                    | Year ended<br>31 March 2022<br>(£M) | Year ended<br>31 March 2021<br>(£M) |
|----------------------------------------------------|-------------------------------------|-------------------------------------|
| <b>Opening fair value of assets</b>                | <b>3.253</b>                        | <b>2.418</b>                        |
| Interest income on assets                          | 0.072                               | 0.059                               |
| Re-measurement of gains/(losses) on assets         | 0.181                               | 0.501                               |
| Contributions paid by the employer                 | 0.233                               | 0.216                               |
| Contributions paid by participants                 | 0.082                               | 0.075                               |
| Net benefits paid out <sup>#</sup>                 | (0.016)                             | (0.016)                             |
| Net increase in assets from disposals/acquisitions | -                                   | -                                   |
| Settlements                                        | -                                   | -                                   |
| <b>Closing fair value of assets</b>                | <b>3.805</b>                        | <b>3.253</b>                        |

<sup>#</sup> Consists of net cashflow 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 £6,000 (2021: £6,000).

**Actual return on assets**

|                                     | Year ended<br>31 March 2022<br>(£M) | Year ended<br>31 March 2021<br>(£M) |
|-------------------------------------|-------------------------------------|-------------------------------------|
| Interest income on assets           | 0.072                               | 0.059                               |
| Remeasurement gain/(loss) on assets | 0.181                               | 0.501                               |
| <b>Actual return on assets</b>      | <b>0.253</b>                        | <b>0.560</b>                        |

**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<sup>st</sup> March 2022 and the projected service cost for the year ending 31<sup>st</sup> March 2023 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.

**Discount rate assumption**

| Adjustment to discount rate                    | +0.1% p.a. | Base figure | -0.1% p.a. |
|------------------------------------------------|------------|-------------|------------|
| Present value of total obligation (£M)         | 5.206      | 5.367       | 5.528      |
| % change in present value of total obligation  | -3.0%      |             | 3.0%       |
| Projected service cost (£M)                    | 0.526      | 0.547       | 0.569      |
| Approximate % change in projected service cost | -3.9%      |             | 4.0%       |

**Rate of general increase in salaries**

| Adjustment to salary increase rate             | +0.1% p.a. | Base figure | -0.1% p.a. |
|------------------------------------------------|------------|-------------|------------|
| Present value of total obligation (£M)         | 5.399      | 5.367       | 5.335      |
| % change in present value of total obligation  | 0.6%       |             | -0.6%      |
| Projected service cost (£M)                    | 0.547      | 0.547       | 0.547      |
| Approximate % change in projected service cost | 0.0%       |             | 0.0%       |

**Rate of increase to pensions and rate of revaluation of pension accounts**

| Adjustment to pension increase rate            | +0.1% p.a. | Base figure | -0.1% p.a. |
|------------------------------------------------|------------|-------------|------------|
| Present value of total obligation (£M)         | 5.496      | 5.367       | 5.244      |
| % change in present value of total obligation  | 2.4%       |             | -2.3%      |
| Projected service cost (£M)                    | 0.569      | 0.547       | 0.526      |
| Approximate % change in projected service cost | 4.0%       |             | -3.9%      |

**Post retirement mortality assumption**

| Adjustment to mortality age rating assumption * | -1 year | Base figure | +1 year |
|-------------------------------------------------|---------|-------------|---------|
| Present value of total obligation (£M)          | 5.549   | 5.367       | 5.185   |
| % change in present value of total obligation   | 3.4%    |             | -3.4%   |
| Projected service cost (£M)                     | 0.569   | 0.547       | 0.526   |
| Approximate % change in projected service cost  | 4.0%    |             | -3.9%   |

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

**Funded LGPS benefits****Analysis of amount charged to profit and loss/surplus or deficit on the provision of services next year**

|                                                                             | Year ending<br>31 March 2023<br>(£M) |
|-----------------------------------------------------------------------------|--------------------------------------|
| Current service cost                                                        | 0.547                                |
| Net interest on the net defined benefit liability                           | 0.039                                |
| <b>Total estimated pension expense</b>                                      | <b>0.586</b>                         |
| Allowance for administration expenses included in Current Service Cost (£M) | 0.006                                |
| Estimated pensionable payroll over the period (£M)                          | 1.248                                |

**Active members as at 31 March 2019**

|       | Number | Total Pay (£M) |
|-------|--------|----------------|
| Total | 25     | 0.871          |

**Pensioner and deferred pensioner members as at 31 March 2022**

|                           | Number | Total pension (£M) |
|---------------------------|--------|--------------------|
| Deferred members          | 12     | 0.019              |
| Pensioners and dependants | 3      | 0.006              |

**Funded cash-flow data provided**

|                                                     | Months<br>Provided | Amount Provided<br>(£M) | Amount Used<br>(£M) |
|-----------------------------------------------------|--------------------|-------------------------|---------------------|
| Employer – Normal contributions                     | 11                 | 0.214                   | -                   |
| Employer – Additional capital contributions         | 12                 | -                       | -                   |
| Employer – Early retirement strain on fund payments | 11                 | -                       | -                   |
| <b>Total contributions by the Employer</b>          |                    |                         | <b>0.233</b>        |
| Employee – Normal contributions                     | 11                 | 0.075                   | -                   |
| Employee – Added years contributions                | 11                 | -                       | -                   |
| <b>Total contributions by participants</b>          |                    |                         | <b>0.082</b>        |
| Transfers in                                        | -                  | -                       | -                   |
| Other income                                        | -                  | -                       | -                   |
| Transfers out                                       | -                  | -                       | -                   |
| Retirement lump sums                                | -                  | -                       | -                   |
| Other outgoings                                     | -                  | -                       | -                   |
| Death in service lump sums *                        | -                  | -                       | -                   |
| Benefits paid (i.e. pension paid)                   | -                  | -                       | -                   |
| <b>Net benefits paid out **</b>                     |                    |                         | <b>0.016</b>        |

\* We have calculated the expected death in service lump sums over the year to be (£M) 0.001

\*\* The 'Net benefits paid out' figure includes an allowance for expenses of (£M) 0.006

**Capital cost**

|                                                                            | Amount (£M) |
|----------------------------------------------------------------------------|-------------|
| The capital cost of early retirement occurring in the accounting period is | 0.019       |

**Annualised pensionable payroll over the accounting period**

| Description                               | Amount (£M)* |
|-------------------------------------------|--------------|
| Period ending 31 <sup>st</sup> March 2022 | 1.197        |
| Period ending 31 <sup>st</sup> March 2021 | 1.110        |

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

**Actuarial note:**

The asset/(liability) recognised on the Statement of Financial Position is the difference between the assets notionally allocated to the employer and the present value of funded defined benefit obligations (ie the liabilities) associated to the Employer's staff members.

**18 Capital commitments**

At 31<sup>st</sup> March 2022 authorised future capital expenditure amounted to £Nil. The company has no capital commitments at 31<sup>st</sup> March 2022 (2021: £Nil).

**19 Provisions**

|                          | £       |
|--------------------------|---------|
| Balance at 1 April 2021  | -       |
| Provided in the year     | 175,000 |
| Balance at 31 March 2022 | 175,000 |

All balances are due not later than one year.

The provision relates to the estimated financial impact arising as a result of ILBF trainees not being operated through the standard PAYE system for tax and national insurance deductions. Northern Ireland Screen have recently become aware of this issue and have made a voluntary disclosure to HMRC. An external advisor has been engaged to review the treatment of trainees on the ILBF scheme and liaise with HMRC. Our estimate is to have this matter resolved and any outstanding balance paid to HMRC before 31 March 2023.

The provision has been calculated for the tax years 2018/2019 to 2021/2022 inclusive and on the assumption that tax and national insurance contribution liabilities existing for all ILBF trainees. Changes to this provision may arise should HMRC make a determination to review the period prior to 2018/2019 and as a result of variation in circumstances pertaining to individual trainees.

**20 Contingent Liabilities**

There were no contingent liabilities as at 31<sup>st</sup> March 2022 (2020-21: £Nil).

## **21 Contingent Assets**

Northern Ireland Screen may be eligible for recoupment. Recoupment is returns from conditional grants/investments made through the Screen Fund. This is not across all contracts and each contract will have their own express details on whether recoupment is applicable and the specified %.

Due to the unpredictable nature of projects and whether they will be successful it is difficult to predict estimated recoupment income for a project. The timings of recoupments vary per project and on average tend to be paid 2-3 months in arrears.

Northern Ireland Screen have looked at previous recoupments and trends and have made an assumption that a further income of £60,000 may be paid in relation to the financial year 2021-22 however as this is not virtually certain this amount has not been accrued.

Some recoupment may be received in perpetuity.

Recoupment is reviewed regularly by the Chief Operating Officer and key staff to monitor recoupment income and a detailed schedule is completed to track income due and received.

## **22 Events after the reporting date**

There was an event after the reporting date which would require adjustment to the financial statements and has been reflected in the above accounts. Northern Ireland Screen were made aware in early June 2022 that the large scale production Demimonde (alias Contraband) was being pulled due to disputes over the shows budget. Northern Ireland Screen had made a payment of £1.6m and the full amount was returned 22<sup>nd</sup> June 22.

**23 Prior period adjustments**

On review of the 2020-21 balances several material errors were identified and in compliance with IAS 8 have been corrected by way of a prior year adjustment. This includes a material change in treatment of recoupment income and when this is recognised in the accounts, an internal VAT review undertaken by NI Screen and several other minor adjustments. Noted below is the net financial impact of the errors identified and corrections made to the closing balance of 2020-21 accounts;

**(i) Statement of Comprehensive Net Expenditure**

|                                                         | <b>2020-21<br/>Published<br/>Accounts</b> | <b>Prior Period<br/>Adjustment</b> | <b>2020-21<br/>Restated</b> |
|---------------------------------------------------------|-------------------------------------------|------------------------------------|-----------------------------|
|                                                         | <b>£</b>                                  | <b>£</b>                           | <b>£</b>                    |
| <b>Income</b>                                           |                                           |                                    |                             |
| Income from activities                                  | 21,580,744                                | 501,157                            | 22,081,901                  |
| Other Income                                            | 59,000                                    | -                                  | 59,000                      |
|                                                         | <u>21,639,744</u>                         | <u>501,157</u>                     | <u>22,140,901</u>           |
| <b>Expenditure</b>                                      |                                           |                                    |                             |
| Staff costs                                             | (1,229,211)                               | -                                  | (1,229,211)                 |
| Depreciation                                            | (40,740)                                  | -                                  | (40,740)                    |
| Other expenditure                                       | (523,490)                                 | 20,364                             | (503,126)                   |
| Programme expenses                                      | (20,019,085)                              | -                                  | (20,019,085)                |
|                                                         | <u>(21,812,526)</u>                       | <u>20,364</u>                      | <u>(21,792,162)</u>         |
| <b>Net expenditure for the year</b>                     | <u>(172,782)</u>                          | <u>521,521</u>                     | <u>348,739</u>              |
| <b>Other Comprehensive Net Expenditure</b>              |                                           |                                    |                             |
| Actuarial Loss                                          | (831,000)                                 | -                                  | (831,000)                   |
| <b>Total Comprehensive Net Expenditure for the Year</b> | <u>(1,003,782)</u>                        | <u>521,521</u>                     | <u>(482,261)</u>            |

A VAT review undertaken by NI Screen which resulted in an additional amount of £142,913 payable to HMRC in relation to August 2018 - March 2021 and £75,000 income due from the British Film Institute relating to the period ended 31st March 2021. An adjustment of £569,070 was made in relation to recoupment income which related to the financial year 2020-21 for which a statement was received in March 2021 informing of entitlement to payment. Other expenditure was reduced by £20,364 in relation to prepaid rent for the Pixel Mill for the period ended 31st March 2021.

## (ii) Statement of Financial Position

|                                              | 2020-21<br>Published<br>Accounts<br>£ | Prior Period<br>Adjustment<br>£ | 2020-21<br>Restated<br>£ |
|----------------------------------------------|---------------------------------------|---------------------------------|--------------------------|
| <b>Non-current assets</b>                    |                                       |                                 |                          |
| Property, plant and equipment                | <u>171,652</u>                        | -                               | <u>171,652</u>           |
| <b>Current assets</b>                        |                                       |                                 |                          |
| Trade and other receivables                  | 168,390                               | 664,434                         | 832,824                  |
| Cash and cash equivalents                    | <u>713,241</u>                        | -                               | <u>713,241</u>           |
| <b>Total current assets</b>                  | <u>881,631</u>                        | <u>664,434</u>                  | <u>1,546,065</u>         |
| <b>Total assets</b>                          | <u>1,053,283</u>                      | <u>664,434</u>                  | <u>1,717,717</u>         |
| <b>Current liabilities</b>                   |                                       |                                 |                          |
| Trade and other payables                     | <u>(886,843)</u>                      | <u>(142,913)</u>                | <u>(1,029,756)</u>       |
| <b>Total assets less current liabilities</b> | <u>166,440</u>                        | <u>521,521</u>                  | <u>687,961</u>           |
| <b>Non-current liabilities</b>               |                                       |                                 |                          |
| Retirement benefit obligation                | <u>(2,052,000)</u>                    | -                               | <u>(2,052,000)</u>       |
| <b>Net liabilities</b>                       | <u>(1,885,560)</u>                    | <u>521,521</u>                  | <u>(1,364,039)</u>       |
| <b>Taxpayers' equity</b>                     |                                       |                                 |                          |
| General fund                                 | <u>(1,885,560)</u>                    | -                               | <u>(1,364,039)</u>       |
| <b>Total taxpayers' equity</b>               | <u>(1,885,560)</u>                    | -                               | <u>(1,364,039)</u>       |

£664,434 reflects an adjustment of £95,364 additional trade and other receivables due to £75,000 income due from the British Film Institute and a prepayment of £20,364 in relation to rent for the Pixel Mill for the period ended 31st March 2021 and £569,070 relates to recoupment income for Dublin Murders which was received in May 2021. Trade and other payables increased by £142,913 due to the additional VAT amount owing to HMRC in relation to August 2018 - March 2021 transactions.

## (iii) Statement of Cash Flows

|                                                                | 2020-21<br>Published<br>Accounts<br>£ | Prior Period<br>Adjustment<br>£ | 2020-21<br>Restated<br>£ |
|----------------------------------------------------------------|---------------------------------------|---------------------------------|--------------------------|
| <b>Cash flows from operating activities</b>                    |                                       |                                 |                          |
| Net income/(expenditure) for the year                          | (172,782)                             | 521,521                         | 348,739                  |
| <b>Adjustments for non-cash transactions:</b>                  |                                       |                                 |                          |
| Depreciation                                                   | 40,740                                | -                               | 40,740                   |
| Adjustment for pension funding                                 | 194,001                               | -                               | 194,001                  |
| Decrease/(increase) in trade and other receivables             | 63,980                                | (664,434)                       | (600,454)                |
| Increase in trade and other payables                           | <u>498,506</u>                        | 142,913                         | <u>641,419</u>           |
| <b>Net cash inflow from operating activities</b>               | <b>624,445</b>                        | <b>-</b>                        | <b>624,445</b>           |
| <b>Cash flows from investing activities</b>                    |                                       |                                 |                          |
| Purchase of property, plant and equipment                      | <u>(74,347)</u>                       | -                               | <u>(74,347)</u>          |
| <b>Net cash outflow from investing activities</b>              | <b><u>(74,347)</u></b>                | <b>=</b>                        | <b><u>(74,347)</u></b>   |
| <b>Net increase in cash and cash equivalents in the period</b> | <b>550,098</b>                        | <b>-</b>                        | <b>550,098</b>           |
| <b>Cash and cash equivalents at beginning of the year</b>      | <b>163,143</b>                        | <b>-</b>                        | <b>163,143</b>           |
| <b>Cash and cash equivalents at end of the year</b>            | <b>713,241</b>                        | <b>-</b>                        | <b>713,241</b>           |

This represents the overall adjustment detailed above and the impact on net income/(expenditure) for the year, change in trade and other receivables and trade and other payables. There is no change in the overall total of Cash and cash equivalents at 31 March 2021

**24 Additional disclosures to comply with the Financial Reporting Manual (FReM)**

FReM requires non-departmental public bodies to regard grant-in-aid received as contributions from controlling bodies giving rise to a financial interest in the residual interest of the body and hence accounting for as financing, that is by crediting them to income and expenditure reserve. In addition FReM requires grant-in-aid to be accounted for on a cash basis.

However, as the organisation is required to prepare accounts in accordance with the Companies Act 2006, DfE has given the organisation permission to continue to treat grants as income. If Northern Ireland Screen were required to comply with the FReM the result of this compliance would be as follows:

**Statement of Financial Activities prepared under FReM**

|                                         | <b>Note</b> | <b>2021-22</b>      | <b>2020-21</b>      |
|-----------------------------------------|-------------|---------------------|---------------------|
|                                         |             | <b>£</b>            | <b>£</b>            |
| <b>Incoming Resources</b>               |             |                     |                     |
| DCMS – BFI - ILBF                       | 4           | 3,930,201           | 3,180,200           |
| TCAGSM - ILBF                           | 4           | 847,457             | -                   |
| DCMS – BFI - USBF                       | 4           | 1,521,470           | 786,410             |
| BFI                                     | 4           | 164,819             | 220,045             |
| Arts Council                            | 4           | 244,292             | 244,450             |
| Various funding Income                  | 4           | 761,204             | 660,864             |
| Other income (Pension Interest)         | 4           | 72,000              | 59,000              |
| <b>Total Incoming Resources</b>         |             | <b>7,541,443</b>    | <b>5,150,969</b>    |
| <b>Resources Expended</b>               |             |                     |                     |
| Direct Expenditure of the organisation  |             | 22,582,978          | 21,792,162          |
| <b>Total resources expended</b>         |             | <b>22,582,978</b>   | <b>21,792,162</b>   |
| <b>Net deficit for the year</b>         |             | <b>(15,041,535)</b> | <b>(16,641,193)</b> |
| Actuarial (loss)/gain on pension scheme |             | 917,000             | (831,000)           |
| <b>Amount transferred to funds</b>      |             | <b>(14,124,535)</b> | <b>(17,472,193)</b> |

**Analysis of funds prepared under the FReM**

|                                   | <b>2021-22</b>     | <b>2020-21</b>     |
|-----------------------------------|--------------------|--------------------|
|                                   | <b>£</b>           | <b>£</b>           |
| <b>Balance at 1 April 2021</b>    | <b>(1,364,039)</b> | <b>(881,778)</b>   |
| Grant-in-aid received in the year | 16,419,967         | 16,989,932         |
| Net operating costs for the year  | (14,124,535)       | (17,472,193)       |
| <b>Balance at 31 March 2022</b>   | <b>931,393</b>     | <b>(1,364,039)</b> |

**Date of authorisation for issue**

The Accounting Officer authorised the issue of these financial statements on 2<sup>nd</sup> December 2022.