Department of
Enterprise, Trade and Investment
www.detini.gov.uk

Resource Accounts

Annual Report and Accounts for the year to 31 March 2012

Department of Enterprise,
Trade and Investment
Netherleigh
Massey Avenue
Belfast BT4 2JP

E: information@detini.gov.uk
T: 028 9090 9900
F: 028 9090 9500
Textphone: 028 9052 9304
www.detini.gov.uk

Department of Enterprise, Trade and Investment
Resource Accounts for the year ended 31 March 2012

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on

06 July 2012

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Annual Report

Directors' Report

Introduction

1. The Department presents its annual report and accounts for the financial year to 31 March 2012. The accounts demonstrate the resources that have been consumed in delivering the Department's objectives.

2. This Annual Report has been prepared in accordance with the guidance set out in the Government Financial Reporting Manual and guidance issued by the Department of Finance and Personnel.

Departmental Accounting Boundary

3. The Department's accounting boundary excludes Executive Non-Departmental Public Bodies (NDPBs).

4. The core Department is the only entity within the boundary.

Public Sector Bodies Outside the Departmental Accounting Boundary

5. The Department has four Executive NDPBs falling outside the accounting boundary. These are:

   (i) Invest Northern Ireland (Invest NI);

   (ii) Northern Ireland Tourist Board (NITB);

   (iii) Health and Safety Executive for Northern Ireland (HSENI); and

   (iv) General Consumer Council for Northern Ireland (GCCNI).

6. The Department acts as sponsor Department to two organisations set up under the Belfast Agreement which are also regarded as falling outside the accounting boundary. These are:

   (i) InterTradeIreland (Trade and Business Development Body); and

   (ii) Tourism Ireland Limited (jointly owned by the Northern Ireland Tourist Board and the Irish Tourist Board).

   In addition, Harland & Wolff Plc, a limited company which is wholly owned by the Department, is also regarded as being outside the accounting boundary.

7. Further details are contained in the Notes to the Resource Accounts.

Minister

8. Ministerial responsibility for the Department of Enterprise, Trade and Investment, for the financial year 2011-12, rested with Arlene Foster MLA.

Departmental Reporting Cycle

9. The Estimates for the year to 31 March 2012 are contained in The Budget Act (Northern Ireland) 2011 and the Supplementary Estimates are contained in The Budget Act (Northern Ireland) 2012. Both of these Acts and Department of Finance and Personnel publications containing detailed supporting information are available from The Stationery Office Limited.

10. These annual resource accounts, for the year to 31 March 2012, report against the Supplementary Estimates and will be laid in the Assembly.

Register of Interests

11. A Register of Interests is maintained by the Department and no significant interests are currently held by board members which may conflict with their management responsibilities. Public access to the register can be arranged by email request to information@detini.gov.uk .

Pension Liabilities

12. The treatment of pension costs and liabilities is disclosed in the Remuneration Report and note 1.15 to the departmental resource accounts.

Corporate Governance

Introduction

1. In September 2005, the Department of Finance and Personnel (DFP) issued the HM Treasury guidance "Corporate governance in central government departments: Code of good practice". DFP subsequently issued explanatory guidance on Corporate Governance reporting in December 2006. This Corporate Governance report has been prepared in accordance with that guidance.

2. The Department continues to be committed to high standards in corporate governance. Risk management is explicitly linked to the corporate and operating planning process and, in addition, is linked to the planning process for annual programmes of internal audit work. Six monthly assurance statements are provided to the Departmental Accounting Officer by senior DETI officials and by the Chief Executives of non departmental public bodies (NDPBs). These confirm that systems of internal control are operating satisfactorily in practice or, alternatively, draw the Departmental Accounting Officer's attention to significant internal control issues. The Departmental Accounting Officer has sight of, and comments on, all Internal Audit Service reports for the Department and its two largest NDPBs: Invest NI and NITB.

3. During the year the Department held quarterly oversight and liaison meetings with its arm's length bodies. The Department also undertook a risk based inspection programme of External Delivery Organisations / Third Party Organisations. Other governance related work undertaken included the test drilling of economic appraisals and post project evaluations; participation on the NICS Fraud Forum; and participation in the UK wide National Fraud Initiative.

Ministerial Delegations

4. Ministerial approval is required for all proposed expenditure of £1 million and upwards. Ministerial approval is also required for external consultancy expenditure over £10,000 (excluding Value Added Tax).

The Departmental Board

5. The Departmental Board consists of the DETI Top Management Team, the Director of Finance, the Director of Human Resources and two Independent Board Members. Members of the Board in 2011-12 were:

- **David Sterling**, Permanent Secretary and Departmental Accounting Officer
- **Dr Ian McMorris**, Independent Board Member (until 11 April 2011)
- **Mr David Beck**, Independent Board Member (from 21 March 2011)
- **Dr Donal Flanagan**, Independent Board Member (from 21 March 2011)
- **Colin Lewis**, Deputy Secretary, Management Services Group (until 27 January 2012)
- **David Thomson**, Deputy Secretary, Policy Group
- **Philip Angus**, Head of Human Resources and Central Support Division
- **Trevor Cooper**, Head of Finance Division (acting Deputy Secretary, Management Services Group from 30 January 2012),
- **Iain McFarlane**, Acting Head of Finance Division (from 13 February 2012).

6. The board, which is chaired by David Sterling, met seven times during 2011-12. Dr Ian McMorris' period of four years as an independent member of the Departmental Board ended on 11 April 2011, two new Independent Board Members being appointed with effect from 21 March 2011. Both appointments are for an initial period of three years. Other members of the Departmental Board are appointed ex officio. Dr Donal Flanagan temporarily stood down from the board on 3 October 2011 for personal reasons.

7. The primary role of the Independent Board Members is to contribute to the good

governance of the Department by offering constructive challenge across all the board's business. This is with a view to ensuring that all aspects of strategy and delivery of policy are scrutinised for effectiveness and efficiency.

8. The Departmental Board as a whole considers issues which affect the corporate governance of the Department and its NDPBs. These include:

   - progress against performance targets for DETI and NDPBs, including those relating to absenteeism;
   - finance issues;
   - issues relating to audit and accountability; and
   - an overview of major policy issues

9. The board has established two sub committees: the Departmental Audit Committee and the Casework Committee. The work of both committees is described in more detail below.

Departmental Audit Committee

10. The Departmental Audit Committee provides the Departmental Board with advice on risk management, governance and internal control for DETI and its NDPBs. The Departmental Audit Committee also reviews the annual resource accounts shortly before the accounts are signed by the Departmental Accounting Officer.

11. In the period from 1 April 2011 to 31 March 2012 the following served as members of the Departmental Audit Committee:

    - **David Beck**, Chairman and Independent Member
    - **Bill McGinnis**, Independent Member
    - **Donal Flanagan**, Independent Member (temporarily stood down, for personal reasons, with effect from 3 October 2011).
    - **Noel Cornick**, Head of Telecoms, Tourism and GSNI Policy (with responsibility for the two cross border bodies sponsored by DETI).

    Noel Cornick attended his last meeting of the Departmental Audit Committee on 15 December 2011.

12. A review of the effectiveness of the Departmental Audit Committee, which commenced during 2010-11, continued during 2011-12. The recommendations from the review were accepted at the 22 November 2011 meeting of the Departmental Board. The key recommendations were that:

    - the Departmental Audit Committee should contain no members with executive responsibility;
    - another member, drawn from the wider public sector, should be recruited;
    - the quorum should be reduced to two members; and
    - the numbers attending meetings should be reduced, with NDPBs and cross border bodies submitting papers in advance of each meeting detailing significant corporate governance issues in their organisations, and only being required to attend if needed.

13. The Department is in the process of implementing the recommendations which emerged from the review. At its meeting on 6 March 2012, the Departmental Audit Committee contained no members with executive responsibilities. Each NDPB and cross border body submitted a paper in advance of the meeting setting out corporate governance issues in their organisations.

14. Executives from the Department (including the Permanent Secretary) and representatives from NIAO are in attendance at all meetings of the Departmental Audit Committee which, prior to the 6 March 2012 meeting, was also attended by Chairs of NDPB audit committees (or their nominees as approved by the Chair of the Departmental Audit Committee) and other NDPB officials.

15. During the financial year 2011-12, the Departmental Audit Committee dealt with a wide range of issues relating to governance, internal control, accountability and risk management for DETI and its NDPBs. These included:

- consideration of assurance provided to the Departmental Accounting Officer in relation to the Statement on Internal Control and the provision of advice on its content;
- consideration of annual resource accounts;
- consideration of the external audit strategy for the audit of annual accounts;
- consideration of Reports to those Charged with Governance produced following the external audit of accounts;
- consideration of issues arising from six monthly assurance statements;
- consideration of risks reported by way of the quarterly risk management process;
- consideration of enhanced risk management processes and revised corporate risks;
- consideration of internal audit reports and plans, including annual assurance reports produced by internal audit;
- consideration of the findings of internal and external quality assessments of Internal Audit Service;
- consideration of an updated Internal Audit Charter (Terms of Reference);
- consideration of the internal audit strategy for 2011-2015;
- consideration of internal audit key performance indicators;
- monitoring progress made against the action plans produced following Public Accounts Committee hearings;
- consideration of a rolling risk based programme of reviews of Third Party Organisations / External Delivery Organisations, including sponsorship and oversight arrangements;
- consideration of EU compliance issues;
- consideration of the findings of the review of audit committee effectiveness;
- consideration of the results of the annual test drilling exercise on economic appraisals and post project evaluations;
- consideration of DFP's annual compliance report on the use of external consultants;
- consideration of issues relating to fraud, including the National Fraud Initiative;
- consideration of progress made on current investigations; and
- consideration of new best practice guidance issued.

Casework Committee

16. The Casework Committee meets as required to consider and approve DETI HQ projects involving expenditure above £500,000. All members of the Departmental Board are eligible to participate on the Casework Committee other than where an expenditure proposal originates from within the Division headed by that board member.

17. The Committee is chaired by an officer of at least Deputy Secretary level, and has a minimum quorum of three members.

Relationships with Arms Length Bodies

18. The Department's relationships with its four NDPBs and its two cross border bodies are set out in Management Statements and Financial Memorandums.

19. As referred to in paragraph 3 above, the Department's stewardship arrangements for its NDPBs are reinforced through quarterly oversight and liaison meetings which take place between Departmental and NDPB representatives. These meetings cover performance against targets; finance issues; policy issues; and corporate governance issues.

20. A risk based inspection process of Third Party Organisations / External Delivery Organisations (TPOs/EDOs) funded by DETI, Invest NI and NITB was undertaken. As well as covering financial controls within the TPOs/EDOs, the process included reviews of the control arrangements that have been put in place by the funding organisation.

Public Interest and Other

Disabled Persons

21. The Department follows the Northern Ireland Civil Service Code of Practice on the Employment of Disabled People and aims to ensure that disablement is not a bar to recruitment or advancement.

Equal Opportunities

22. The Department is firmly committed to pursuing the Northern Ireland Civil Service Equal Opportunities policy whereby all staff have equality of opportunity for employment and advancement on the basis of their ability, qualifications and aptitude for the work.

Employees

23. The DETI Human Resource policies, strategies and plans directly and tangibly support the Department's business by ensuring the provision of appropriately motivated and skilled staff. DETI is committed to the continuous development of its staff to meet the needs of its business areas and to reflect the variety of skills and competencies required for them to operate effectively both now and in the future. Departmental HR supplement the HRConnect service and HR policies contained in the NICS Staff Handbook by providing support and guidance to staff and line managers, and ensuring performance, absence levels and employee relations are managed effectively. The Department is committed to providing all staff with the development and training necessary for effective performance in their jobs and for the development of their potential in accordance with the business needs of the Department and the agreed training priorities for the NICS. The Department utilises the DFP Centre for Applied Learning shared service which provides a wide range of programmes many of which are externally accredited for all generic learning and development needs. In addition the Department arranges external training to ensure specialist training needs are met. The Department also provides an Assistance to Study Scheme which supports staff to achieve a recognised qualification in their own time. Staff commitment to and involvement in the Department is encouraged through regular communication of operating targets, an internal news report and an intranet site which can be accessed by all staff. The Department is accredited with the Investors in People (IIP) status and with the assistance of the Departmental Business Support Branch, staff and line managers are committed to advancing our service through innovation and continuous improvement.

24. The Department continues to monitor and actively manage the sickness absence of its staff through the application of centrally agreed policies and procedures and the HRConnect Shared Service. During this year the Department has been building on best practice to maintain its good performance in managing sick absence and achieved its target of less than 7.9 days average absent per member of staff. Estimated figures from NISRA for the 2011/12 year give the Department 7.3 average working days lost, which is 23% below the current estimated NICS average of 9.5 days.

Payment of Suppliers

25. DETI payment processing is carried out by the Account NI shared services centre.

26. DETI is committed to the 10 day prompt payment target to assist local businesses through the current difficult economic times. Northern Ireland Departments have a target to pay supplier invoices within 10 working days of receipt. For the year to March 2012, DETI paid 92% (2010-11: 84%) within 10 working days, against a NICS average of 89% (2010-11: 78%).

27. DETI will continue to be committed to the 10 day prompt payment target in the next financial year, 2012-13.

28. Up until the implementation of the 10 day target, the Department was committed to the prompt payment of bills for goods and services in accordance with the Late Payment of Commercial Debts (interest) Act 1998 (as amended by The Late Payment of Commercial Debts Regulations 2002). The Department's policy was to pay bills in accordance with contractual conditions or, where no such conditions existed, within thirty days of receipt of goods and services or the presentation of a valid invoice, whichever was the later. For the year to March 2012, DETI paid 98% (2010-11: 95%) within this standard, against a NICS average of 96% (2010-11: 92%).

Audit

29. The Department's accounts are audited by the Comptroller and Auditor General for NI.

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

31. The Comptroller and Auditor General did not provide any non audit services during the year.

David Sterling
Accounting Officer

29 June 2012

Management Commentary

Overview of the Department

Departmental Goal

1. In line with the Northern Ireland Executive's top priority within its Programme for Government for the period 2011 to 2015, the goal of the Department is:

"To promote the growth of a competitive and export-led economy"

Principal Functions

2. The Department has responsibility for a range of functions. These include:

   a. Economic Development Policy
      - Enterprise;
      - Innovation;
      - Tourism;
      - Energy;
      - Telecoms; and
      - Social Economy.

   b. Economic Advice & Research

   c. Research and Statistics Services

   d. Business Regulation including:
      - Company Law;
      - Credit Unions and Industrial Provident Societies:
      - Insolvency Service;
      - Consumer Affairs; and
      - Trading Standards

   e. Health and Safety at Work

   f. Mineral Development

Structure

3. DETI sponsors four agencies, established as Non-Departmental Public Bodies (NDPBs), which play a key role in shaping and implementing economic development policy:

- Invest Northern Ireland (Invest NI);
- Northern Ireland Tourist Board (NITB);
- Health and Safety Executive for Northern Ireland (HSENI); and
- General Consumer Council for Northern Ireland (GCCNI)

4. Geological Survey of Northern Ireland (GSNI) is also an integral part of the Department. In addition, DETI also acts as co-sponsor to two organisations set up under the Belfast Agreement:

- InterTradeIreland (ITI); and
- Tourism Ireland (TI).

5. In addition, DETI, along with the Department for Regional Development (DRD) and the Department of Finance and Personnel (DFP), works with the independent Northern Ireland Authority for Utility Regulation (NIAUR) in the development and regulation of the electricity and gas industries.

6. It is anticipated that, at some future point, the Department may assume additional functions and responsibilities which are currently within the purview of the Department for Employment and Learning. The exact details of the transfer of these functions and responsibilities have yet to be determined.

Relationship with the Enterprise, Trade and Investment (ETI) Committee of the Assembly

7. The Department has a close and continuous relationship with the ETI Committee in relation to the Department's policy and service delivery agendas. DETI has sought to ensure that a continuous flow of information, both oral and written, has contributed to the effectiveness of the Department's relationship with the Committee.

Corporate Plan 2011 – 2015

8. The DETI Corporate Plan, covering the period 1 April 2011 to 31 March 2015, and the corresponding DETI Operating Plan for 2011/12, are available on the DETI website (www.detini.gov.uk). The Corporate Plan sets out the main functions of the

Department and its economic priorities for the four year period. The actions and desired outcomes for the period are also outlined, together with the resources and policy instruments available to the Department.

Economic Context

Global Downturn

9. The world economy, which had started to recover from the global financial crisis, saw a resurgence of the global economic slowdown in 2011. This followed a number of economic shocks in the first half of the year including the earthquake in Japan, unrest in the Middle East and Africa, the resulting rising oil prices, and an escalation of the financial crisis in the Euro area. The impact of these shocks has slowed worldwide economic growth and the forecasts for 2012 have been reduced, however, the emerging economies are expected to continue to have a rate of growth well above the advanced economies.

Northern Ireland Performance

10. The local labour market continues to experience difficulties and the renewed global economic difficulties, particularly in the EU, may place additional pressure on levels of unemployment and on job creation. The number of people claiming unemployment benefits currently stands at 61,400 or 6.9% of the workforce, this is an increase of 2,500 (4.2%) over the last year.

11. Output in Northern Ireland's service sector increased by 1.9% in the third quarter of 2011, which was the second quarterly increase following a year of contracting output. Services output is down over 13.2% since its peak in 2006 and the number of jobs has fallen by around 10,000 (1.8%) over the last three years.

12. However, the local manufacturing sector, which accounts for the vast majority of production output, is currently experiencing much stronger growth than the UK. NI manufacturing output grew by 5.7% in Q3 2011, while there was no change in UK output. There was a similar pattern in output over the last year, with NI manufacturing growing by 10.3%, while the UK rate of increase was 1.5%. Resulting in some increase in the number of manufacturing jobs, which is a reversal of its long term decline.

13. The construction sector has been the most severely impacted in Northern Ireland, both in terms of output and jobs. Construction output peaked in 2007, and was the first sector to demonstrate a slow down. The most recent data shows a small rise in construction output of 0.8% in the third quarter of 2011, which is the first quarterly increase in over three years.

14. Northern Ireland's spending on R&D has been historically low, however following a large increase in Business Expenditure on Research and Development (BERD) in 2009 and a further increase in 2010, expenditure reached a record level of £344 million.

15. The latest figures from Invest NI show that inward investment commitments of £151 million were secured in 2011-12, which will lead to the creation of 1,120 new jobs. Since April 2008, planned inward investment has totaled almost £1.5 billion promoting 8,600 new jobs. This exceeds Invest NI's inward investment job targets for this period. In addition to this, in 2011-12 there was £36 million of investment commitments by externally-owned businesses through The Jobs Fund, which promoted 1,147 new jobs.

Outlook

16. The recovery in the UK economy has been fragile, with continued difficulties regarding declining output growth and rising unemployment. In addition the severe impact of the recession on the Republic of Ireland has continued to have implications for the local economy particularly in terms of exports.

17. 2012 is likely to be another difficult year for the NI economy as challenging economic conditions in the UK and the Republic of Ireland impact on the local economy. The NI economy is expected

to grow by only around 0.3% in 2012. This modest rate of growth is not sufficient to lead to sufficient levels of job creation to reduce the level of unemployment and therefore the rising levels of unemployment are likely to continue. DETI, along with other Departments will work to deliver the overarching goal of the Northern Ireland Economic Strategy "to improve the economic competitiveness of the NI Economy through a focus on export-led private sector growth". The Strategy identifies actions aimed at rebalancing the local economy towards higher levels of private sector growth. It also includes a number of measures, such as Invest NI's Jobs Fund and Boosting Business Initiative aimed at rebuilding the local labour market in the aftermath of the recession.

18. In the Programme for Government, DETI is committed to directly supporting the promotion of over 25,000 new jobs, securing investment of £1 billion in the NI economy and supporting £300 million investment by business in R&D. These commitments will be achieved by supporting firms at all stages of their development including new business starts, indigenous businesses of all sizes and investments by new and existing foreign-owned companies.

19. DETI continues to work alongside other local departments and Whitehall departments to assess the potential costs and benefits for the local economy of reduced levels of Corporation Tax in NI. This will be critical in determining whether or not these powers will be devolved.

Performance for the Year 2011/12

Operating Plan 2011/12

20. DETI has lead responsibility for ten commitments within the Programme for Government for 2011/15 and has joint responsibility with other Northern Ireland departments, DFP/OFMDFM, DARD and DEL, on a further three commitments.

21. The DETI Corporate Plan 2011/15 was published in May 2012 and the DETI Operating Plan for 2011/12 in June 2012. Both are fully aligned with the Programme for Government Delivery Plans, the Northern Ireland Economic Strategy and the Investment Strategy for Northern Ireland. The 2011/12 DETI Operating Plan corresponds to the first year of the DETI Corporate Plan 2011/15 and represents the milestone actions and targets which contribute to the achievement of the DETI Corporate Plan.

22. Details of DETI's performance against its 2011/12 Operating Plan targets were finalised in late Spring 2012 and will be published as soon as possible on the DETI website, www.detini.gov.uk.

Economic Development Policy

Development of the Northern Ireland Economic Strategy

23. In response to the consultation on Priorities for Sustainable Growth and Prosperity, officials from across all Departments were engaged in developing the input to the draft Economic Strategy. Under the auspices of the Executive Sub-Committee, the process was managed by a Steering Group chaired by the DETI Permanent Secretary and including the Permanent Secretaries from DEL, DRD, DFP, DE and DARD as well as the Chief Executive of Invest NI. The Steering Group was supported by a Working Group comprising officials from all NICS Departments & Invest NI.

24. The draft Strategy was agreed by the Executive and launched for public consultation on 17 November 2011 as part of a suite of Executive documents including the Programme for Government and the Investment Strategy. The public consultation ran from 17 November 2011 until 22 February 2012 attracting a total of ninety-two responses from a wide variety of stakeholders and individuals.

25. The Economic Strategy was further refined to reflect the responses to the consultation and was agreed by the full Executive on 8 March 2012.

26. On Tuesday 13 March 2012, the DETI Minister, on behalf of the Executive Sub-Committee on the Economy, published the Northern Ireland

Economic Strategy. A number of accompanying documents were also published including the Comprehensive Action Plan, DETI Research Agenda: Lessons from Best Practice, Slides on the Current Position of the NI Economy, Economic Indicators and Targets, IREP Mapping Study and an Equality Impact Assessment.

27. The overarching aim of the Strategy is to improve the economic competitiveness of the Northern Ireland economy, by prioritising export-led economic growth. The key economic priorities are aimed at rebalancing the economy to improve the wealth, employment and living standards of everyone in NI. Alongside this, there are a number of immediate and complementary actions aimed at rebuilding the local labour market to address the impact of the global economic downturn.

Implementation

28. Throughout the process, there has been a clear commitment to implementation. The Executive Sub-Committee on the Economy will be retained to monitor delivery and progress against key indicators and the actions set out in the Strategy and its Action Plan. The Sub-Committee will be supported by the Economic Advisory Group who will provide an annual independent assessment of the performance of the NI economy.

29. The Strategy will be underpinned by a number of relevant cross-cutting strategies and Action Plans to progress each of the Executive's economic priorities. This will include supporting strategies or action plans for the areas of Innovation / R&D, Enterprise / Business Growth and Skills.

30. DETI has lead responsibility in a number of policy areas which will feed into the Economic Strategy, including Innovation and Enterprise; Social Economy; Tourism; Telecoms and Energy. Delivery in these areas will contribute towards the effective implementation of the Economic Strategy.

Enterprise Strategy

31. An Enterprise Strategy to support the Economic Strategy is currently being developed and will set out what we are doing to improve the local business environment for all companies in all sectors, not just those who are exporting. Recognising the Economic Strategy's focus on export-led growth, the Enterprise Strategy will include commitments on growing exports, diversifying into new markets and improving the capabilities of exporting businesses.

32. There will also be a focus on promoting enterprise, entrepreneurship, creating the necessary conditions and providing access to finance to enable businesses across all sectors of the economy to grow. Additionally, it will include commitments to reform planning and to make regulation more efficient.

33. The findings of the Treasury consultation on rebalancing the NI economy, and in particular the outcome of the discussions on the devolution of Corporation Tax varying powers, will impact upon the timetable for completion of the Enterprise Strategy.

Innovation

34. 2010/11 saw the final year of the implementation of the Regional Innovation Strategic Action Plan. This Plan, which was produced and overseen by DETI, saw the successful implementation across the public and private sectors of over 100 actions, with an estimated budget of £360 million. The culmination of the implementation of the Plan's actions, alongside an increased policy emphasis on Innovation and R&D has helped the Department to significantly advance the innovation agenda in Northern Ireland. This has been evidenced for example by record levels of expenditure on R&D - in 2010 over £500 million was spent by NI firms and research organisations.

35. In addition, the Department has facilitated the continued physical and programme expansion of the Northern Ireland Science Park (NISP). With DETI support NISP was able to secure private sector funding for the development of Concourse 2 which when complete (June 2012), will bring total number of companies at NISP to over 100,

employing over 2000 people in high value jobs. Furthermore in 2011 the Department, co funded the NISP Connect Programme - which is designed to facilitate the continued development of Northern Ireland's knowledge economy by accelerating the growth of promising technologies and early stage companies.

36. In 2011 the Department also significantly increased its engagement with the European Commission in relation to R&D. As part of this agenda the Department successfully hosted the first official visit of EU R&D Commissioner Maire Geoghan Quinn to Northern Ireland. In addition the Department completed a major review of the support mechanisms in place to help NI companies and research organisations who wish to engage in the €50 billion EU Framework programme. The review made 18 recommendations and these are in the process of being implemented.

New Innovation Strategy

37. Work is underway to develop a new Innovation, R&D and Creativity Strategy. Building on the recommendations of the Economic Strategy, the Innovation Strategy will identify the actions required to develop a knowledge based economy. A core part of this will be examining the potential of the NI Science Park to develop into Northern Ireland's first Innovation Institute to support the increased collaboration across market sectors and between government business and an academia. The Strategy will also progress the alignment of publically funded research with our economic priorities in order to support the increased commercialisation of knowledge.

Corporation Tax

38. A Joint Ministerial Working Group was established in December 2011 to examine the case for a transfer of responsibility for Corporation Tax in greater detail as well as other options to support private sector growth in Northern Ireland.

39. This group is comprised of four Executive Ministers including the DETI Minister, and Ministers from the Northern Ireland Office and Whitehall departments. The last meeting of this group was held on 25 June 2012. While there are significant issues to be resolved it is intended that this group will make a decision regarding the devolving of Corporation Tax later in 2012.

40. DETI continues to work alongside DFP and OFMDFM and Whitehall departments to establish with greater clarity, the costs, administrative changes, potential legislative vehicle and potential timetable for transferring Corporation Tax powers to the Executive, as well as considering other options to support private sector growth. This work also recognises the importance of complying with the relevant EU criteria and UK Government's wider fiscal policy.

41. However a lower Corporation Tax by itself is not enough. Therefore, within the Economic Strategy, there is a plan to develop skills, strengthen innovation and R&D, support local SMEs to develop chain linkages, ensure the appropriate infrastructure is available and provide targeted promotion and support. These measures will help to develop and diversify our export base.

Economic Advisory Group

42. As highlighted, one of the steps the Executive took in response to the recommendations made in the IREP report was to establish the Economic Advisory Group (EAG), to create a focused group of experts from economics, business and skills. EAG held its inaugural meeting in May 2010.

43. The group continued to meet regularly in 2011/12, and responded to the Executive Consultations on the draft Programme for Government (2011-2015), draft NI Economic Strategy and the draft NI Investment Strategy, the BIS consultation on the Revision of the Industrial Development Act (1982), the HM Treasury Consultation on Rebalancing the Northern Ireland Economy, and produced its own report on the Impact of a Reduced Corporation Tax on the Northern Ireland economy.

44. EAG also met with the Executive Sub Committee on the Economy in November 2011.

Business Development through Invest NI

45. During 2011/12, Invest NI made over 4,300 offers of assistance valued at over £89 million, which contributed towards projects which planned to invest almost £452 million within the Northern Ireland economy.

46. Of this, £65 million of assistance (representing 73% of the total) was in support of projects by locally-owned businesses, with the remainder relating to inward investment. Overall, 43% of offers approved, and 50% of total assistance offered, were to clients located in, or proposing to locate in, areas of economic disadvantage.

47. Nurturing and encouraging innovation is vital to the NI economy and Invest NI continued to play its part by stimulating business investment in Research & Development (R&D). In 2011/12, Invest NI offered assistance that contributed towards a total of £65 million of planned business investment in R&D.

48. A core component of Invest NI's work is to help Northern Ireland businesses expand their international dimension and during 2011/12, Invest NI assisted 676 companies diversify into new markets. In addition, Invest NI also supported 149 new business start ups to sell to GB markets and 16 new start-ups selling outside the UK.

49. Provisional results show that Invest NI approved offers to 24 employment-related new inward investment projects and 19 inward expansion projects which collectively plan to generate nearly £61 million of salaries each year from the anticipated creation of 2,267 new jobs. Of these, provisional figures indicate that 1,168 jobs will offer salaries above the Northern Ireland Private Sector Median (PSM).

Business Development through InterTradeIreland

50. InterTradeIreland's principal functions are to exchange information and co-ordinate work on trade and business development and related matters in areas where the Northern Ireland and Republic of Ireland administrations specifically agree that it would be in their mutual interest.

51. InterTradeIreland's Corporate Plan 2011-2013 was approved in 2011. During 2011, a total of 2,576 companies engaged in North South business through InterTradeIreland Trade and Innovation Activities and Services. Of the companies that have initiated InterTradeIreland Trade or Innovation projects during the year, 62 were first time exporters and 68 companies were first time innovators. The total business value generated in 2011 by companies participating on Trade and Innovation Programmes was £119.8m. InterTradeIreland's activities have also delivered a positive jobs impact of 371.

52. Trade programmes include ACUMEN (cross-border sales and marketing), and GO-2-TENDER (public procurement capability). Innovation programmes include FUSION (technology transfer), INNOVA (collaborative research and development), and EQUITYNETWORK (private equity investment). New business support programmes piloted in 2011 included 'Innovation Challenge' and 'Elevate'.

53. In June 2011, InterTradeIreland hosted a Framework Programme 7 conference 'Collaborate to Innovate'. The objective of the conference was to provide information on accessing and increasing the success rate in securing funding from the remaining €20 billion funding available through the EU FP7 programme which runs up to 2013.

54. InterTradeIreland discussion papers were presented to Ministers at the North South Ministerial Council Trade and Business Development Sectoral Meetings which took place in Armagh on 25 July 2011 and 1 March 2012 respectively. The meetings also included discussions on the progress made on how

to increase collaboration to capitalise on the opportunities provided by the EU Research, Technological Development and Innovation (RTDI) Framework Programme. Ministers were also updated on InterTradeIreland's role in establishing a North South working group to take forward actions on cross-border tendering for public sector contracts and co-operation on public procurement where there is agreed mutual benefit. The £18 billion public procurement market is a key driver of demand.

MATRIX

55. Since its establishment in November 2006, MATRIX (the Northern Ireland Science Industry Panel) has investigated how Northern Ireland can maximise its economic returns from the commercial exploitation of its R&D, science and technology base.

56. MATRIX main recommendation was the creation of new business led collaborations and over the past 2 years MATRIX and DETI officials have worked closely with Invest NI to progress this recommendation. On 17 December 2011 Invest NI and MATRIX jointly launched a competitive call for new technology based collaborative networks, based on priorities which are directly linked to the market opportunities identified by MATRIX.

57. DETI has also overseen the creation of an on-line resource for industry and academia which maps all available support mechanisms. This resource will be available online on the nibusinessinfo.co.uk website.

58. MATRIX continues to advise and guide on new emerging global market opportunities and to keep its reports under review. MATRIX will soon bring forward a market focused report into opportunities in Sustainable Energy Technologies. There are also plans to conduct foresight studies into the quality of knowledge transfer & intellectual property management in Northern Ireland.

59. As a result of last year's reorganisation of DETI, MATRIX now resides in the newly formed Foresight & Horizon Scanning Unit. This branch will focus on future policy development and will help inform and guide the evolving economic strategy on a continuous basis over the years ahead.

Tourism

60. In 2011/12, DETI supported both the Northern Ireland Tourist Board (NITB), and Tourism Ireland in promoting tourism in the context of returning key markets to growth following falling tourist numbers in 2010. Latest estimates indicate a 4% increase in overseas visitors in 2011, with a 20% increase in revenue. Visitor numbers from Great Britain remained at the same level as 2010 whilst expenditure increased by 17%. The number of visitors from mainland Europe increased by 19%, from North America by 1% and from other overseas countries by 21%. There is no reliable estimate on the performance of the Republic of Ireland (ROI) market in 2010 and 2011 due to delays in the Central Statistics Office (ROI) publishing data. NI residents took 1.9m overnight trips within Northern Ireland; with an associated spend of £171m – comparable domestic tourism data is not available for 2010.

61. 2012 is seeing a tipping point for NI tourism and much of our activity in 2011/12 has been geared towards ensuring that the capital investment is in place and significant events are secured for the year as well as continuing to promote NI at home and abroad. Both NITB and Tourism Ireland delivered a number of high profile campaigns throughout 2011/12 to help promote NI as a serious tourist destination. The great golfing successes of Rory McIlroy, Darren Clarke and Graeme McDowell were extensively promoted worldwide with the "Home of Champions" campaign. Other campaigns highlighted Belfast as the home of the Titanic in advance of the opening of Titanic Belfast in March 2012.

62. One of the major highlights of the year for Belfast and Northern Ireland was the MTV Europe Music Awards which took place in November 2011. It is estimated that the event generated £10 million in additional tourism revenue into the economy

with estimates indicating that around 10,000 beds were occupied during the MTV weekend. The MTV EMAs were seen as the launch of the ni2012 events programme which continued with the significant opening of Titanic Belfast in March 2012. The EMAs were part of Belfast Music Week which generated a further £1.86m. When PR value is also included an estimated additional benefit of the Belfast Music Week and EMAs was £22m.

63. Alongside the opening of Titanic Belfast in March 2012, significant progress has been made in 2011/12 towards the completion of the remaining signature projects with the Giant's Causeway Visitor Centre due to open in July 2012. The Walled City Built Heritage Programme has seen the completion of Derry First Presbyterian Church, the funding of Aras Colmcille, Guildhall, Apprentice Boys of Derry and the Lighting Strategy with NITB providing £3.4m in financial assistance. 8 Projects in the Mournes and Saint Patrick's areas have received financial assistance equating to £1m. In total £8.5million in financial assistance has been delivered over the past year levering approximately £8 million in match funding. In addition, the 2012/13 £1.5m Tourist Development Scheme funding programme was launched and received 65 applications for financial support of which 22 were shortlisted.

64. 2011/12 was an intense planning period to secure a series of eight high profile events for ni2012 to showcase Northern Ireland on a world stage, together with a range of supporting international and national events. Included within the eight events are the Titanic Festival and the Irish Open 2012 held at Royal Portrush which will again put Northern Ireland firmly on the global golf map and provide another boost to the local economy.

65. In 2011/12, North South Ministerial Council Tourism Sectoral meetings took place in the NSMC Joint Secretariat Offices in Armagh. At these meetings, Ministers from Northern Ireland and the Republic of Ireland noted that Tourism Ireland had applied efficiency savings to the 2011 budget in accordance with guidance issued by the two Finance Departments and approved the 2011 Business Plan and Corporate Plan 2011-2015, including recommending the budget provision. Ministers also approved the appointment of a new Chair and Board for a 4 year period.

Telecommunications

66. In 2011/12, the Department continued working with the private sector, Ofcom and other public authorities in UK and ROI to build on Northern Ireland's world-class telecommunications infrastructure. The focus in 2011/12 remained on progressing to closure the Next Generation Broadband Project for which Programme for Government and Public Service Agreement targets were established, continuing to address rural infill through the Broadband Fund and ongoing delivery of the Logon-NI broadband support programme for businesses.

67. Through Project Kelvin, co-funded by the Interreg IVA programme and delivered by DETI, in collaboration with the ROI Department of Communications, Energy and Natural Resources, Northern Ireland gained its first direct international telecoms link. The project's operational phase will continue until 2018, during which time the cost, latency and availability of services on the Kelvin network are contractually guaranteed. Project Kelvin has enhanced Northern Ireland's attractiveness to potential investors. Invest NI uses the benefits of Northern Ireland's telecoms infrastructure, including the direct international link, to position Northern Ireland as a location capable of providing solutions to the business needs of both new and existing investors.

68. The £51m Next Generation Broadband Project was delivered on-time and on-budget. The project is now in its operational phase with 1,265 cabinets fibre-provisioned to deliver superfast broadband services. This is one of the first and most extensive network upgrades in the UK. At least 85% of Northern Ireland businesses can now access services up to 40 megabits

per second. £16.5m was initially invested by the Department under the European Regional Development Fund's European Sustainable Competitiveness Programme, with a further £1.5m from the Department of Agriculture and Rural Development under the European Agricultural Fund for Rural Development Programme. Government was able to bring a further £1.5m of investment to the project, bringing the total government investment to £19.5m.

69. The leverage on the project has been significant. BT who won the contract invested approximately £32m in the fibre upgrade programme. In addition, prompted by the success of the project which has provided a roadmap for next generation investments across the UK, BT has undertaken to fibre upgrade a further 783 cabinets across Northern Ireland, under its own Next Generation Access (NGA) programme. This is on top of the 110 cabinets upgraded across Londonderry, as part of the City of Culture preparations and upgrades already complete, prior to this project. This is estimated to be a private sector investment worth some £30-£35m. Once complete some 2,480 cabinets will be fibre enabled, with some 89% of telephone lines connected to an enabled cabinet. BT has advised that there are some 43,000 connections on these cabinets to date. To date some 13% of fibre connections across the UK using this platform are located in Northern Ireland. This is a success story which demonstrates how targeted Government intervention can create conditions to stimulate private sector investment.

70. DETI's £1.9m Broadband Fund, launched by the Minister in August 2008, has continued to stimulate broadband activities, by supporting businesses undertaking broadband technology trials, or deploying infrastructure in rural areas with a view to provision of high bandwidth commercial broadband services. A further call for projects was made in 2011 resulting in one successful applicant. A decision was also taken to close the Broadband Fund and to re-designate remaining funding in support of national broadband objectives set out under the Broadband Delivery UK (BDUK) agenda. The funds will be used to augment an allocation to Northern Ireland under the BDUK programme, to bring forward a project which will deliver a minimum 2Mbps service across all of Northern Ireland.

71. Within the broadband stimulation theme, the £3.9m logon-ni programme, co-financed under the ERDF Sustainable Competitiveness Programme 2007-2013, continues to improve take-up of broadband by SMEs and assists businesses in making better use of broadband services. To end March 2012, some 4,438 businesses across NI benefited from free, supplier-neutral broadband advice through the programme.

72. In January 2012 the Department's contract with Avanti Communications to deliver satellite broadband services to remote and rural users came to the end of its three-year term. By contract close, Avanti had installed service for 1,243 customers across Northern Ireland. To ensure that 100% of premises in the region continue to have access to first generation broadband services at affordable cost, the Department embarked on a further procurement which resulted in a contract being awarded on 6 January 2012 to Onwave Ltd. Under the contract Onwave will deliver satellite broadband services to premises across Northern Ireland, where due to commercial or technical reasons a fixed-line service is not currently available, offering download data speeds of between 6Mbps and 10Mbps, a significant uplift on services previously available to satellite-dependent customers.

73. During 2011/12 the Department completed its consultation on telecommunications investment priorities for 2011-2015. The consultation attracted responses from a wide range of stakeholders, all of which were broadly supportive of the key investment themes and proposals. The resulting Telecommunications Action Plan for 2011-2015, will bring forward two projects, to ensure that Northern Ireland continues to have a telecommunications

infrastructure that is fit for purpose and capable of supporting the growth of the local economy. Both projects will attract funding under the Coalition Government's £530m strategy, "Britain's Superfast Broadband Future" and will improve access to broadband and mobile telecommunications services.

Energy

74. The Department has continued to work closely with its counterparts in the devolved administrations in GB, particularly the Scottish Government, and the Department of Energy and Climate Change (DECC) in London, to advance energy co-operation within the UK. This has included co-operation with DECC in relation to the European Union's Third Energy Package, which came into force in September 2009. The Department laid Regulations at the NI Assembly on 23 March 2011 to transpose the requirements of the Third Package, which includes new legal provision for the greater liberalisation of electricity and gas markets, increased consumer protection, and enhanced powers for national regulators. The Regulations came into operation on 15 April 2011.

75. In the context of regional cooperation and as part of the All-Island Energy Market Development Framework programme, DETI is continuing to work with its counterpart in the Republic of Ireland, the Department of Communications, Energy and Natural Resources (DCENR), on common energy matters. This has involved development of regional and EU-wide Internal Markets in wholesale electricity and gas by 2014 following establishment of the all-island Single wholesale Electricity Market (SEM). It requires cooperation with UK, French and Irish energy ministries and regulators. This comes on foot of a decision by the European Council in February 2011 to advance completion of the internal market in energy by 2014. Work with UK and Ireland counterparts has also progressed well to strengthen regional security of supply for gas under new EU regulations.

76. During 2011 work progressed towards delivery of the key energy goals in the new Strategic Energy Framework for Northern Ireland (SEF 2010) and specifically the challenging renewable energy targets of 40% renewable electricity and 10% renewable heat by 2020. The SEF Implementation Plan has been used to monitor progress and updates were provided to the Enterprise, Trade and Investment Committee.

77. DETI continued throughout 2011/12 to engage with other departments, NIE, and the Utility Regulator, in relation to strengthening of the electrical grid network in Northern Ireland to absorb and transmit increased levels of renewable energy. A grid sub-group of the Sustainable Energy Inter-departmental Working Group was established in October 2011 to focus on grid related issues. Work on the draft Onshore Renewable Electricity Action Plan which examines the role of onshore renewable electricity technologies in meeting the 40% renewable electricity target by 2020, and the associated Strategic Environmental Assessment (SEA) were completed during 2011/12 and the draft Plan issued for consultation in October. Work also commenced on the Habitat Regulations Assessment and an appropriate assessment got underway in March 2012. This work complements DETI's Offshore Renewable Energy Strategic Action Plan by examining the environmental impact of landing offshore renewable electricity.

78. Following completion in 2010 of a technical and economic feasibility study into the potential for extending the natural gas network to the West and remaining areas of the North West of Northern Ireland, DETI carried out a 12 week consultation in 2011 seeking views on the potential for extending the natural gas network to these areas, and to East Down. Overall responses were supportive of extending the natural gas network to the areas proposed in the consultation, and DETI is taking forward a more detailed economic appraisal during 2012 to consider a range of issues relating to gas network extension including licensing arrangements and funding considerations.

79. In December 2011, DETI published the results of a significant study into the potential for Energy Storage in the East Antrim area. The study included a ship based survey of the geology in the Irish Sea off the East Antrim coast to assess its potential for the underground storage of natural gas, compressed air, or carbon dioxide.

80. Work on legislation and Memorandum of Understanding to support harmonisation of the two low carbon gas transmission networks under the Common Arrangements for Gas project has continued, set in the context of action to develop the EU target model for the gas market by 2014.

81. The Department continues to participate in the British Irish Council's energy workstream to develop greater regional cooperation on development of grid infrastructure and marine energy to increase opportunities for wind, wave and tidal renewable resources. A key focus is to engage with the European Commission on support for wave and tidal technologies. The ISLES offshore Grid project to advance development of a regional electricity grid infrastructure for marine renewable electricity generation was completed in November 2011, on time and under budget with launches in Scotland and Brussels. The ISLES findings form a major component in the work on the EU's North Sea's Countries Grid Initiative, which has been identified as an EU priority energy corridor.

82. Associated with the marine energy work has seen the development of an offshore marine consents process for new off shore renewable electricity infrastructure. The Department is also continuing support for research by Northern Ireland, Scottish and Irish universities into alternative marine energy resources under the BioMara academic study, which is supported by the EU. Promising research into the manufacture of 3rd generation bio-fuels from seaweeds and algae is due to be completed by the end of 2012.

83. The ETI Committee launched a report on its enquiry into renewable energy in February 2011 and DETI responded on behalf of all the Departments involved on 27 June; further updates were provided in August and November. Of the 25 recommendations contained within the report, 20 were either accepted or partially accepted and significant progress has already been made in many of the areas identified.

84. At March 2012, renewable electricity consumption levels in Northern Ireland averaged 12.5% with several months peaking as high as the 18% target.

85. Since its introduction in 2005, the Northern Ireland Renewables Obligation (NIRO) has continued to encourage renewable electricity generation while ensuring that any additional costs to the consumer remain minimal. The latest data (2010/11) shows that there was a 1.5% decrease in the number of Renewable Obligation Certificates (ROCs) issued in Northern Ireland over the previous year mainly due to lower wind speeds over the winter. However, there was a 21% increase in the number of generators accrediting under the NIRO during 2010/11 and a 32% increase in generating capacity accredited over the previous year. In October 2011, DETI issued a consultation on further changes to the NIRO from 1 April 2013. These changes will help ensure we continue to incentivise a broad range of technologies and that we continue to have a range of energy technologies in our energy mix so to maximise our potential to develop these to meet our targets. The consultation also addressed the issue of Electricity Market Reform which proposes UK-wide changes to renewables incentivisation.

86. During the year, the Department, in co-operation with NIAUR, commissioned a study on the impact of Electricity Market Reform on electricity generation in Northern Ireland. This study concluded that a Feed-in Tariff with Contracts for Difference (FIT CfD) could operate within the Single Electricity Market and the Department has been working with the Department of Energy and Climate Change on a move away from the Renewables Obligation to a FIT CfD. Renewable electricity generation should continue to be

incentivised through the NIRO as it represents best value for consumers in Northern Ireland.

87. DETI also scoped policy proposals for a new Energy Bill on a number of key energy matters including energy efficiency, small-scale feed-in tariff powers, offshore renewable energy development powers, gas storage, transfer/assignment of licences and the statutory duties of the Department in relation to sustainability.

88. During 2011/12, the Sustainable Energy Inter-Departmental Working Group (SEIDWG) progressed the recommendations agreed by the Executive on February 2011. A Sustainable Energy Action Plan, which includes a statement of leadership on sustainable energy, was considered and agreed by the Executive on 5 April 2012. An audit of energy vires across departments was completed and recommendations referred to the Sustainable Development Champions' Group in January 2012. Also two additional sub-groups were established to consider grid development and the planning process in relation to renewable energy.

89. The cross departmental Bioenergy Action Plan 2010-2015, identifies opportunities for the sustainable development of bioenergy in Northern Ireland. Progress has been monitored during the year by the Renewable Heat Strategy Group which is made up of representatives from all relevant Departments.

90. In 2011/12, DETI continued the major programme of work to develop Northern Ireland's offshore energy resources and in September 2011, Regional Locational Guidance was published. A Memorandum of Understanding (MoU) was signed by the UK and Irish Governments on marine jurisdictional issues in relation to offshore renewables in November 2011. This facilitated the launch in December 2011 by The Crown Estate, the owners of the seabed, of the first Leasing Round in NI waters for 600MW of offshore wind and 200MW of tidal energy. March 2012 saw the publication of the Offshore Renewable Energy Strategic Action Plan 2012-2020, which sets out a range of actions to facilitate this development over the coming years.

91. DETI has a target in the SEF of 10% renewable heat by 2020. During 2011/12, DETI considered ways in which renewable heat could be incentivised and the proposals were the subject of a public consultation which closed in October 2011. In light of the consultation responses, DETI has carried out some further analysis prior to the development of a final policy.

92. During 2011/12, DETI commissioned consultants to carry out a study into the need for an energy efficiency measure to deliver energy efficiency improvements in Northern Ireland. The Department has used the results of the study to underpin policy consideration in this area preparatory to consultations on options in the new Energy Bill.

93. The Department continued to monitor progress against the 1% energy efficiency target to reduce the upward trend in electricity demand, without compromising economic growth and, in February 2011, published interim results that showed electricity savings for 2007/08 and 2008/09 of 1.14% and 1.35% respectively.

94. In 2010/11, the Department continued to work closely with the Utility Regulator on a cost benefit analysis for smart metering and, in partnership with Invest NI, also engaged with a wide range of stakeholders on smart grid.

95. In late 2010, DETI, in conjunction with Executive Information Service, secured Executive agreement for the development of a unifying communications strategy for all sustainable energy messaging across all government departments in Northern Ireland. During 2011/12, a marketing agency was appointed to develop a sustainable energy messaging brand. The new brand - 'Energywise' - was launched by the Minister in October 2011 and will be used in all future government funded sustainable energy communications.

Social Economy

96. During 2011/12, DETI commissioned an external evaluation of the Executive's Social Economy Enterprise (SEE) Strategy, the Social Economy Network (NI) Ltd (SEN) as the representative body of the sector, and the value of the sector to the wider Northern Ireland Economy. The full evaluation report was launched in August 2011 and made a number of recommendations to grow the social economy sector.

97. One of the key recommendations was for Government to tender a Social Economy Work Programme (SEWP) to pilot test product/ service delivery, aimed at a collaborative network/ consortium of existing SEEs and wider third sector interests.

98. DETI plans to appoint a service provider during Spring 2012, through a public tender competition, to design and deliver a SEWP with the overall objective of identifying and implementing a programme of initiatives to enable the continued growth of a sustainable social economy sector, within the context of the 'Business Growth' theme in the Executive's Economic Strategy.

99. During 2011/12, DETI also continued to support the SEN as the representative body of the sector. The Department fulfilled its obligations within the agreed Letter of Offer up to 31 August 2011, at which point the SEN Board took the decision to cease its operations following consideration of the recommendations of the social economy evaluation.

100. In February 2012, the DETI Minister launched a second series of social economy masterclasses, which are jointly funded by DETI, DSD and Invest NI, aimed at uncovering the value and potential of social enterprise for the private, public and third sectors.

Other Economic Infrastructure

101. The Northern Ireland Science Park (NISP), established by DETI in 1999, continues to grow and develop as Northern Ireland's premier location for knowledge-based businesses - from indigenous start ups to inward investors.

102. NISP has also continued to grow its business development services to support fledgling companies and occupancy is currently nearly 100%. Through development of its Halo and Connect Programmes, it has been able to widen the pool of companies able to access support and it has also increased the amount of pro-bono support from some of Northern Ireland's more established knowledge based companies and entrepreneurs.

103. Minerals and Petroleum Branch (MAPB) continued to manage the process of licensing mineral and hydrocarbons exploration, with technical advice from Geological Survey of Northern Ireland (GSNI). A Service Level Agreement for the operation of GSNI until March 2014 was signed between DETI and the Natural Environment Research Council.

104. A new mining lease at Carrickfergus was negotiated with the Irish Salt Mining and Exploration Ltd. MAPB/GSNI continues to monitor and manage the risks associated with the many abandoned mines, some of which are prone to collapse, notably those near Carrickfergus.

105. Three new Mineral Prospecting Licences (MPLs) and one new Petroleum Licence were issued during the year. There are currently a total of 31 licences for mineral exploration and four for petroleum, including one for shale gas. In the Larne area there are three MPLs to explore for salt beds and assess their suitability for the creation of underground caverns to store natural gas or compressed air. Approximately 57% of Northern Ireland's landmass is currently licensed for exploration for minerals and petroleum.

106. An Invitation to Tender was made by CPD for the Strategic Environmental Assessment (SEA) of Petroleum Licensing in Northern Ireland's internal waters and it is anticipated that the contract will be awarded early in 2012-13. The SEA is required before these areas can be made available for exploration, following the

extension of DETI's licensing powers made in the Hydrocarbons Licensing Directive Regulations (Northern Ireland) 2010.

107. MAPB and GSNI have contributed to the Department's ongoing consideration of legislation in relation to the licensing of gas storage activities in Larne Lough, the implementation of the EU Directive on the Geological Storage of Carbon Dioxide, and the development of departmental policy on lignite and the development of deep geothermal energy resources. This has involved intra- and inter-departmental consultation as well as liaison with external bodies such as The Crown Estate.

108. GSNI responded to 528 inquiries and requests for geological information from government, industry, academia and the public. 52% of these were from industry. GSNI continued to contribute to the assessment of planning applications and to advise NIEA on the management and licensing of groundwater resources. GSNI renewed a Service Level Agreement with NIEA, focusing on the implementation of the groundwater aspects of the 2nd River Basin Management Planning cycle of the EU Water Framework Directive (2000/60/EC).

109. GSNI continued to license digital geological, geophysical and geochemical data to industry and the research sector, under arrangements approved by the Office of Public Sector Information. These data are widely used to guide prospecting by the minerals and energy sectors.

110. Geological mapping of Northern Ireland and geological research continued, work which underpins the assessment and development of economic resources. GSNI, under a Service Level Agreement with DoE, completed a new Minerals Map, which delineates likely resources and thus provides baseline data for land-use planning decisions in the future. GSNI continued to foster research links with universities in the applied geosciences and is currently leveraging innovative research by facilitating 10 PhD studies, all of which contribute to the understanding of the terrestrial resources of Northern Ireland.

111. GSNI continues to lead the £4 million Tellus Border project of the INTERREG IVA programme of the ERDF. The project is conducting innovative geoscience surveys of the border counties of the Republic of Ireland and continuing analysis of the original Tellus data of Northern Ireland. Partners are the Geological Survey of Ireland, Queen's University, Belfast and Dundalk Institute of Technology. Collaboration with the Geological Survey of Ireland continues on other projects under an existing Framework Agreement.

Economic Advice and Research

Economic Research

112. The Department is committed to evidence-based policy formulation and development, and economic research has a central role in informing this. Four projects were taken forward as part of the DETI Research Agenda 2008-11 focusing on international best practice in economic development:

- Building Economic Competitiveness: Lessons from Small Peripheral European Economies;
- Productivity, Innovation and Competitiveness in Small Open Economies;
- The Changing Face of Innovation Policy: Complementing R&D initiatives in Northern Ireland; and
- Promoting Investment and Increasing Employment among the Economically Inactive.

113. All four research reports were published in June 2011 and have been utilised to provide a strong evidence base on global best practice for the new NI Economic Strategy. The research ensures that NI has an economic framework based on policy approaches that have led to success in other small open economies, as well as identifying exemplar initiatives and institutions which will help inform how best to deliver the Strategy.

114. During 2011/12, DETI has also carried out research to provide an "Assessment of the Future Prospects for improving the Quality of Foreign

Direct Investment to Northern Ireland". This included an assessment of the value added of FDI into NI, estimates of the FDI impact that low Corporation Tax could have, mapping of relevant research institutes for FDI sectors and full consideration of NI's competitiveness for high value FDI against key competitors. The report will be used to develop future FDI strategy and inform wider NI Executive actions that can support the attraction of high value FDI.

115. A DETI Research Agenda 2012-15 will be published early in 2012/13 and will detail potential research projects to be carried out by the department that can help support the themes and priorities identified in the NI Economic Strategy.

Policy Evaluation

116. In accordance with the DETI Evaluation Protocol, a programme of 3 Primary evaluations was undertaken in 2011-12 by Invest NI, NISPO (NI Spin Out); NI Screen, the Short Term Aid Scheme (STAS) and the Accelerated Support Fund (ASF). The results will inform policy development and programme delivery in these areas in 2012/13 and beyond.

Statistics Research

117. From the 1st April 2011, the responsibility for the collection of data and production of official labour market and economic statistics transferred from the Department of Enterprise, Trade and Investment to the Northern Ireland Statistics and Research Agency (NISRA), an agency of the Department of Finance and Personnel (DFP). However, it is important to note that there are no changes to the production of economic and labour market statistical publications and outputs as a result of the transfer.

Business Regulatory Services

118. On 30th June 2011 the Insolvency Service set up a Debt Relief Scheme for Northern Ireland similar to one in England and Wales. The Debt Relief Scheme introduced a new form of debt relief called a Debt Relief Order (DRO). In contrast to other forms of debt relief, DRO's are delivered in partnership with professional debt advisors from the debt advice sector who act as 'approved intermediaries'. The Insolvency Service and not the court consider the application. Therefore the costs involved in accessing debt relief are greatly reduced making it affordable to people in NI who would have no other way to obtain relief from their debts.

119. Work commenced on a proposed Assembly Bill to permit greater use of electronic communications in insolvency proceedings and to cut down on some of the procedures involved.

120. During the year, DETI has continued to liaise closely with the Department for Business, Innovation and Skills (BIS) on all secondary legislation emanating from the extension of the Companies Act 2006 to NI. Full implementation of the 2006 Act was achieved on 1 October 2009, when the Companies Registry NI was fully integrated with Companies House.

121. During 2011/12, DETI continued to fund free face-to-face debt advice services at a wide range of outlets across Northern Ireland. The Department funded 23 full time face-to-face debt advisers through contracts with Advice NI and Citizens Advice. In addition, advice4debtni, the NI dedicated free debt helpline, received continued funding from DETI. Following the recommendations contained in the KPMG research report into the future of debt advice provision in Northern Ireland, a public procurement competition was launched on 15 March 2012 to select a supplier to deliver an integrated face-to-face, telephone and web-based service. It is envisaged the new service will run from 1 July 2012 until 31 March 2015.

122. "Consumerline", the Trading Standards-based telephone helpline service continued to effectively provide high quality consumer advice to both businesses and consumers, while also directing intelligence and complaints to the Trading Standards Service (TSS). This data flow enabled TSS to direct its enforcement activities to those

areas of trading malpractice causing greatest consumer detriment. As a result, 14 files were referred to the Public Prosecution Service in relation to serious breaches of trading standards legislation, while in the same period, 17 traders were convicted for serious breaches of legislation. In addition, 8 traders received formal cautions with a further 21 issued with written warnings.

123. Consumerline continued to perform very effectively against its user satisfaction targets, with 85% of users being satisfied with the service, 81% having a better understanding of their rights and 37% having saved money as a result of contacting the service. It is estimated that the Consumerline service reduced consumer detriment by over £2m.

124. TSS has, throughout 2011/12, continued to raise awareness of mass-marketed scams, and educate consumers against the pitfalls of falling victim to these types of deception. TSS has also used the last year to further develop its partnerships with television, radio and print media to ensure unprecedented coverage of the latest scams.

Credit Unions

125. Responsibility for the regulation of Northern Ireland credit unions transferred to the Financial Services Authority (FSA) on 31 March 2012. Members' saving will now be protected by the Financial Services Compensation Scheme and members will have access to the Financial Ombudsman Service. DETI will continue to be responsible for the registration of NI credit unions until legislation is put in place to transfer this responsibility to the FSA.

Presbyterian Mutual Society

126. At the end of July 2011, the Northern Ireland Executive provided a package of financial support comprising of a £175 million secured loan, which is expected to be repaid over a period of 10 years under the PMS Scheme of Arrangement, and £50 million financial assistance, to the Presbyterian Mutual Society (PMS). The first repayment of £8.75 million capital, and associated interest, due on 30 November 2011 was received on time. DETI is the Executive Department with responsibility for overseeing the work-out of the Scheme of Arrangement.

Health and Safety at Work

127. This year saw HSENI reinforce important public safety messages around carbon monoxide and gas safety through the delivery of two major advertising campaigns. The first of these was under the "Watch Out Carbon Monoxide Kills" campaign first launched in 2010 and was aimed at further raising awareness of carbon monoxide and providing advice to the public to have all gas, wood and fossil fuel burning appliances regularly serviced. The second campaign was aimed at both gas installers and the public and its focus was to promote the Gas Safe Register scheme.

128. HSENI, in partnership with the 26 District Councils, also launched a major campaign entitled "Safe Maintenance – Saves Time, Saves Money, Saves Lives" to address the fact that 1 in 3 workplace deaths in Northern Ireland during 2009/10 were associated with maintenance work. The campaign, which is planned to run for four years, will initially focus on three key areas, specifically asbestos awareness, working at heights and the importance of isolation i.e. keeping workers separate from the hazards. This joint HSENI/District Council campaign represents a significant step forward in joint planning as envisaged under the strategy *"Health and Safety at Work – Protecting Lives, Not Stopping Them"*, launched by Minister Foster in February 2011.

129. Recognising the health and safety needs of vulnerable groups, HSENI continued with its successful "Be Aware Kids" child safety on farms campaign, delivering presentations to over 7,500 children in 91 rural primary schools, and its SafeStart-NI initiative aimed at young people entering the world of work for the first time. Under SafeStart-NI, HSENI participated in "Freshers' Fairs" at 17 further and higher education campuses and delivered over 30

presentations to students and apprentices from a variety of sectors including construction, agriculture, engineering and science.

130. The "Stay Farm Safe" campaign continued during 2011/12 with the aim of raising awareness of a high proportion of deaths involving farmers aged 65 and over. The campaign focused on the main causes of fatalities involving older farmers including: handling of livestock, working with machinery, falls from height and being struck by falling objects. The campaign included significant radio and TV components.

131. During 2011/12, HSENI's front line work continued to be dominated by investigating a number of significant workplace incidents resulting in deaths and serious injuries, and dealing with a continuing high number of complaints about unhealthy and unsafe workplaces. Investigations by the Major Investigation Team resulted in 22 successful prosecutions which resulted in fines totalling £485,000.

132. During the year, HSENI carried out 6,665 inspections of workplaces and also undertook a range of high profile promotional events, including a series of seminars on asbestos for the construction industry, a series of seminars in conjunction with the Labour Relations Agency on work-related stress, its annual conference for safety practitioners and a health and safety awareness day for the quarrying industry.

133. HSENI's small business advisory service, Health and Safety Works NI (HSWNI), continued to work with start-up and existing small businesses, delivering one-to-one mentoring to 390 such businesses to assist them with their management of health and safety. HSWNI also provided advice and guidance to 190 entrepreneurs participating in the Department of Employment and Learning's 'Steps to Work' programme and to a further 54 clients enrolled in Invest NI's "Go for It" programme delivered through the Enterprise Agencies. HSWNI also exhibited at 50 events, delivered a total of 56 health and safety presentations, facilitated 8 workshops and launched a support pack for small to medium size construction.

134. Following an intensive five day audit of its operations, DuPont (UK) Industrial Ltd, Maydown, Londonderry, was successful in becoming only the fourth organisation in Northern Ireland to be recognised for its good health and safety management under HSENI's prestigious Recognising Excellence Programme.

Consumer Council

135. During 2011/12, a total of over £237,887 was put back into the pockets of 171 consumers after they contacted the Consumer Council about issues with passenger transport, energy or water – an average of £1,391 per complaint. The Consumer Council dealt with a total 2711 consumer complaints and enquiries in 2011/2012 and achieved a 96% complainant satisfaction return. Complain, Campaign and Gain: Championing Consumers 2009-2011 was published by CCNI in January 2012, providing detailed analysis of the types of issues which consumers needed help with. The Consumer Council has played a key role in building financial capability among consumers in Northern Ireland, who currently have the lowest levels of financial capability across the UK. It organised Money Week 2012, launched by First Minister Peter Robinson, with the Financial Capability Partnership NI and Craigavon Borough Council to deliver a programme of over 20 events across Craigavon in a variety of organisations and community settings to empower consumers, families and businesses with the skills and confidence to make the most of their money. An independent evaluation is currently taking place among organisers and participants to assess behavioural changes or learning as a result of the initiative, and to assist with future financial capability work; early findings have been positive.

Other Policy/ Delivery Areas

European Union Support for Economic Development

136. DETI is the Managing Authority for the European Sustainable Competitiveness Programme for Northern Ireland 2007-13. The Programme is worth approximately £526m, of which 50% is provided by the European Regional Development Fund (ERDF) and 50% from national funds. The Programme's overall aim is to boost Northern Ireland's competitiveness and increase its capacity for Research and Innovation. Around 88% of the EU financial support under the Competitiveness Programme is currently allocated for disbursement through Invest NI and the NITB, 1% is allocated to DARD for Biomass projects and the remaining 11% is earmarked to fund telecoms, energy and innovation activities managed by DETI. During 2011/12, sustained progress has been made in implementing the programme and consequently the strict annual EU imposed expenditure targets were achieved.

137. The Programme also offers support to District Councils in support of their local economic development actions. Responsibility for administration of this element has been transferred to Invest NI, which will also contribute match funding to projects that align with its strategic objectives. This additional funding support is expected to generate a greater volume of high quality project activity over the second half of the programming period.

138. Preliminary work on scoping requirements for the next round of European Funding (2014-2020) has also commenced. This work is being undertaken in conjunction with DFP. The Department has initially identified 26 broad work areas across Enterprise, R&D, Tourism, Energy and Telecoms for which it hopes to attract approximately £380m of ERDF funding from 2014 - 2020. The Department will continue to engage with DFP, NICS Departments and other stakeholders during 2012/13 to shape the development of the next round of European Funds.

EU Regional Aid

139. During 2011/12, the European Commission commenced its discussions with Member States on revisions to the Regional Aid Guidelines from 2014 onwards. While the Department for Business, Innovation and Skills (BIS) leads on discussions with the Commission on Regional Aid, DETI officials have been liaising closely with BIS and other Devolved Administrations to ensure that Northern Ireland's interests are fully reflected in the UK's interactions with the Commission.

140. In parallel, in July 2011, BIS launched a public consultation on Revisions to the Industrial Development Act (1982), including the possible removal of Northern Ireland's automatic assisted area status. The outcome of this consultation, which closed in November 2011, is expected in early 2012/13. DETI took a lead role in developing the NI Executive's response to this consultation, in order to highlight Northern Ireland's concerns regarding the potential loss of NI's 100% assisted area status, and the impact that this may have on Regional Aid coverage and on our efforts to rebalance the NI economy.

State Aid

141. During 2011/12, State Aid advice was provided to five DETI divisions, two of its NDPBs (Invest NI and NITB), InterTradeIreland as well as seven other NI departments. This advice, on 96 different State Aid issues (associated with economic policy development, financial assistance programmes or individual projects) assisted the Department, its NDPBs and the other NI Departments either obtain the necessary State Aid approval or ensured State Aid risks were minimised or removed.

142. No further hardship payments were made under the Department's assistance scheme for pig meat and beef processors caught up in the 2008 dioxins crisis, but a payment was made (under the EC's de minimis regulation) to the NI cold store company that assisted DARD track, trace and dispose of the products that were potentially contaminated with dioxins. DETI also

assisted OFMdFM progress the NI Executive's inquiry into the 2008 dioxin contamination incident.

Barroso Taskforce Activity

143. The Barroso Taskforce was established in 2007 by European Commission President, Jose Manuel Barroso, to assist Northern Ireland in its work to consolidate the peace process and move towards a new era of stability and prosperity. In particular, the Taskforce aims to improve and strengthen links between NI officials and the EU institutions.

144. During 2011/12, DETI officials have been actively involved in three of the four Taskforce Thematic Working Groups; Innovation and Technology (as chair), Competitiveness and Employment and Climate Change and Energy. The emphasis has been on enhancing our engagement with the EU Commission to identify best practice in these areas and explore opportunities for additional funding.

Equality

145. DETI continued to take forward its statutory equality duties in line with Section 75 of the Northern Ireland Act 1998. During the year, six policies were subjected to equality screening and the outcome notified to all individuals and organisations included in the Department's equality consultation list. DETI also continued to work closely with other departments on a series of cross-departmental strategies and action plans aimed at addressing key issues such as child poverty.

146. In response to the Equality Commission's revised guidance on the implementation of Section 75 Statutory Equality Duty DETI produced a new Equality Scheme, which was approved by the Equality Commission on 25 January 2012. The new Scheme sets out how DETI will meet its obligations under Section 75. The Department also developed an Equality Action Plan which details the actions that DETI will take over the next number of years to better promote equality of opportunity.

Better Regulation in Northern Ireland

147. The Department, along with other NI Departments, has been progressing a number of actions in the Better Regulation Forward Work Programme, approved by The Executive in July 2010. Notable highlights include extending the scope of the Better Regulation Strategy to include all local authorities; creating a Regulators Forum; revising guidance for officials undertaking Regulatory Impact Assessments; and obtaining Ministerial agreement to creating a Regulatory Reform Group.

148. During 2011-12 DETI officials met officials in local councils to explain the background to this initiative and seek their support. Minister Foster has since written to each Council Chair seeking individual Council endorsement of this initiative to include them in the wider Better Regulation network. Work has progressed well in revising guidance for officials in carrying out a Regulatory Impact Assessment. A draft will be consulted on with NI Departments in 2012-13 with a view to seeking Ministerial endorsement of new guidance by March 2013.

149. The first meeting of the Regulators Forum took place in October 2011. This brought together 50+ representatives from over 30 different regulatory implementation bodies operating in Northern Ireland. The purpose of this group is to share best practice and identify areas of common interest that can be developed to further improve the regulatory environment in Northern Ireland. The group will aim to meet twice per year.

150. The new Regulatory Reform Group met for the first time in May 2012 and it brings together senior officials from NI Departments, with representatives from some 19 business and other bodies in Northern Ireland. This Group

will contribute to the Better Regulation actions in the NI Economic Strategy and aim to identify specific areas of regulatory reform which can be addressed to further lessen the burden on business, while protecting our citizens.

151. In November 2011, DETI published the NI Better Regulation Annual Report, on behalf of NI departments. This was cleared by the DETI Minister and endorsed by all Executive Ministers in advance of its publication. It reports on the work undertaken during 2010/11 by the NI departments to improve regulation for the benefit of the local business community. It is available on the Better Regulation pages of the DETI website – www.detini.gov.uk/betterregulation.

The Services Directive

152. The Services Directive, which aims to reduce barriers to intra-EU trade in services, was formally adopted by the EU and published on 27 December 2006. The Department for Business, Innovation and Skills (BIS) is the lead department for implementing the Directive in the UK. With assistance from BIS, DETI continues to work closely with Northern Ireland Local Authorities (LAs) and Competent Authorities (CAs) to ensure they are aware of their obligations under the Services Directive.

Cross-Departmental Working

153. The Department's approach to cross-departmental working is to engage positively and constructively with cross-departmental issues and projects where a DETI perspective or resource input can add value or secure resources for the achievement of common objectives. DETI has, therefore, continued throughout 2011/12 to work with other departments to deliver the Executive's Programme for Government.

154. DETI has joint lead responsibility with DARD on the Agri-Food Strategy Board to provide advice to Ministers on how the Food Strategy can be achieved (PfG Commitment to develop a Strategic plan for the Agri-Food sector).

Other areas of cross-departmental action have included corporation tax policy, enterprise policy, innovation policy development, employability/skills policy development, spatial/ infrastructure development, sustainable development and rural development.

Corporate/ Support functions

NICS Reform

155. The Department has continued to contribute to the delivery of the Civil Service Reforms. During 2011/12, Account NI, Records NI, HRConnect, IT Assist and the Centre for Applied Learning shared service centres have continued to provide the Department with a range of services.

Information Security

156. The Department had one protected personal data related incident during 2011/12. This involved information relating to one individual being leaked to the media. Remedial action was taken to mitigate the risk of a similar loss in the future. A blackberry was also stolen during the period. However the phone was deactivated remotely by IT Assist and there was no information security breach.

157. The Financial Reporting Manual (FReM) requires Public Sector Information Holders (PSIH) to include a statement that they have complied with the cost allocation and charging requirements set out in HM Treasury and Office of Public Sector Information (OPSI) Guidance. A PSIH is defined as a public body which sells information it holds. Two business areas in DETI perform this activity: Corporate Regulation and Geological Survey of Northern Ireland (GSNI). GSNI has developed a data licensing and charging scheme that is based on OPSI guidance and are therefore confident that it is fully compliant. Business Regulation charges are based on the Fees and Charges manual produced by the Department of Finance and Personnel.

Efficiency

158. The Department has delivered all its planned £1.132m efficiency savings in 2011/12. In addition, the departmental Business Improvement Team assisted business areas become more efficient and effective through the completion of a number of full branch reviews, as well as a number of ad-hoc grading reviews, with the emphasis this year being focused on Insolvency Service.

e-Business

159. Throughout the year Departmental Business Support continued to provide specialist IT and project management support to a number of key departmental projects, including:

- The continued development of the departmental Business Continuity Plans encompassing the identification of a new decant site and the delivery of an awareness program for all staff and validation of individual branch BCP's;
- Working with Insolvency Service staff and suppliers towards the provision of a new Debt Relief Scheme system for Northern Irelands poorest debtors; and
- A further 'Peer Gateway Review' of Statistics Branch's replacements surveys and services project to help ensure that this critical project was progressing appropriately.
- A number of Economic Appraisals and PPE's were carried out covering replacement of departmental Multi-Function printing devices, CAB application replacement and a number of ICT Security related projects.

160. In addition, a number of in-house application development projects were undertaken to support the work of various business areas such as HSENI Reg32 system, the rewrite of a number of legacy ASP Systems to NET, Trim Forms were developed for Corporate Services and a new Fire Safety training system was implemented.

Northern Ireland Assembly

161. During 2011/12, the Department continued to respond well in dealing with the workload arising from the restoration of a devolved administration in Northern Ireland. The Department dealt with 954 Written Assembly Questions in 2011/12, a threefold increase on 2010/11. DETI Minister's office handled a total of 1,743 cases, 612 correspondence and 1,131 invitations.

Sustainability Report

1. Sustainable Development (SD) is founded on achieving a balance between the three pillars of environmental, social and economic progress. Whilst DETI is the key department leading on economic development, the Department's policies and strategies recognise that the development of the economy, society and the enhancement and protection of the local and global environment are inextricably linked.

2. The DETI Corporate Plan 2008-11, was closely aligned with the Programme for Government which, in turn, reflected SD principles.

3. SD issues arise both directly and indirectly within the Department and are at the heart of energy, tourism and economic development policies, programmes and initiatives. DETI works with a number of stakeholders to deliver these policies, programmes and initiatives. For example:

    - DETI works with partners to help deliver the actions laid out in the Strategic Energy Framework – the SEF includes a significant number of actions that will increase the sustainability of energy in Northern Ireland and these actions are reflected in the Management Report;
    - Invest NI provides industry with advice, information and finance to reduce its consumption of water, energy and materials;
    - The Deputy Secretary, Policy Group, is the SD Champion for DETI and is a member of the SD Champions Network; and
    - Invest NI are represented on the SD Steering Group.

4. The Ministerial led Sustainable Energy Inter-Departmental Working Group (SEIDWG) continued to meet in 2011/12 with the aim of ensuring that sustainable energy issues are dealt with strategically across Northern Ireland departments and in line with current sustainable energy targets in the Programme for Government and the EU-led targets for 2020 as per the Renewable Energy Directive. Its main focus through this year has been to progress the outworkings of its recommendations to the Executive on vires, planning, and leadership issues. Most significantly, the SEIDWG pulled together a Sustainable Energy Action Plan which was agreed by the Executive and will shortly be published.

5. In December 2010, the Executive endorsed a cross departmental approach to sustainable energy messaging. During 2011/12, the SEIDWG Communications sub group took this work forward, through the appointment of a marketing consultant to develop a sustainable energy messaging brand, The new brand – 'Energywise' was launched by the Minister in October 2011 and will be used in all future government sustainable energy campaigns.

6. The Bioenergy Action Plan continues to be monitored under the remit of a newly formed cross departmental Renewable Heat Strategy Group. The group will meet biannually.

7. DETI and its NDPBs remain committed to the implementation of Northern Ireland's SD Strategy. Significant progress continues to be made in taking forward the actions falling to the Department and its agencies in the SD Implementation Plan.

8. In 2011/12, DETI and its agencies have set in place, and continue to provide funding for, initiatives aimed at encouraging and supporting business to adopt and develop progressive SD practices. In particular, Invest NI has worked to enhance resource efficiency through the provision of advice and assistance and in some cases financial support, to businesses particularly in the areas of reducing waste, introducing clean and renewable technologies and enhancing energy efficiency. This work continues to be delivered through a range of support including:

    - **Industrial Symbiosis** – In 2011/12 almost £3 million of additional sales and resource savings were achieved through industrial symbiosis activity with a further £3m resource savings identified.
    - the Invest NI-funded **Carbon Trust** activity in 2011/12 resulted in potential energy savings of circa £25 million of savings per annum being identified and circa £7 million

of savings per annum* being implemented. In 2011/12 £2.6 million in energy efficiency loans was offered to businesses which in total will generate annual energy savings of over £1 million per annum.

- Consultancy support provided by Invest NI in business resource efficiency resulted in the identification of circa £24 million of annual resource savings in local businesses.

9. Invest NI has undertaken a review of the resource efficiency support it provides to business and is currently working through the implementation of the recommendations from the review. Invest NI plans to continue to provide financial and advisory support for energy efficiency and the more efficient use of water and resources and it will continue to promote and develop new business opportunities in renewable energy supply chains.

10. An emphasis on resource efficiency is consistent with the Executive's wider economic focus on increasing productivity levels in Northern Ireland's private sector. In addition, the Department/agencies have sought to encourage the start-up and development of growth companies based on leading edge technologies. Furthermore, key departmental strategies such as the Regional Innovation Strategy are directly contributing to targets relating to enhancing Northern Ireland's competitiveness, hence ensuring sustainable economic development.

11. DETI has in place a SD Action Plan, which sits along side its Waste Management Action Plan. These plans contain targets in relation to waste, water, energy, estate, procurement and travel. DETI is committed to "green housekeeping" and many aspects of "green housekeeping" are already well embedded within the Department's processes. The Department continues to actively monitor its energy consumption to avoid wastage and reduce our carbon footprint by increasing our use of renewable energy. In addition general office waste is recycled where possible. In particular the Department has reduced its accommodation footprint by closing one of its offices in central Belfast and consolidating those operations at its Netherleigh headquarters thereby reducing the Department's energy use, administration, services and logistic overheads. A number of programmes have been introduced to ensure all staff are aware of the need to reduce energy use and improve resource efficiency.

12. The guiding principles on SD, detailed in the NI SD Strategy, have been used to inform the development of the DETI Corporate Plan for 2011-15, and the 2012/13 Operating Plan. In addition, SD has been identified as a cross-cutting theme in the new Economic Strategy and has informed the development of associated actions.

13. DETI and its agencies will continue to ensure that sustainable economic development is enshrined in key strategies and programmes where appropriate.

Financial Performance in the Period

1. Details of financial performance for the year to 31 March 2012 are contained in the resource accounts and the supporting notes.

2. The Statement of Parliamentary Supply shows a saving in total net resources of £2.3m against Estimate. The Estimate is based on the figures contained in the Budget Act (Northern Ireland) 2012 (containing the Supplementary Estimates).

3. The analysis of resource outturn by function measured against the Spring Supplementary Estimates is contained in note 2 to the resource accounts.

4. The £0.5m variance within Economic Development, Policy and Research represents a 4.4% variance against estimate and is due to several small areas of saving against the administration budget. The £0.6m variance recorded against Economic Infrastructure/ Minerals represents a 9.3% variance against estimate and was mainly due to slippage in costs associated with the setting up and OFGEM administration of the Renewable Heat Incentive Scheme totalling £0.4m, combined with small savings in other areas. Slippage in development of final detail of the Renewable Heat Incentive Scheme has also led to grant payments being delayed hence an under spend of £0.2m in AME. The overall variance against estimate for AME expenditure was less than 2%. Insolvency Services and Consumer Affairs, which sit within Business Regulatory Services function, reported savings of circa £0.25m combined with additional fees and charges income of £0.1m representing an overall variance of 6.7% against estimate. Notional costs savings of £0.13m (3% of estimate) are due to reductions in accommodation costs which saw a fall in the overall charge per square metre, and a reduction in occupancy.

Basis of Going Concern

5. Historically, a feature of the Department's statement of financial position is that there is negative taxpayers' equity, i.e. liabilities typically exceed assets. This is not currently the case due to the addition of a Financial Asset Investment. In future years, as the Department receives repayments of this investment, its carrying value will reduce and it is likely that liabilities will again exceed assets. This results from the nature of accounting in government. NI Assembly provides funding to departments on an annual basis to meet the Net Cash Requirement, but liabilities which will fall due in future years, are taken into account in the Statement of Financial Position. An example of this is the provision for Harland & Wolff Plc's potential future liability to claims from former employees who have suffered from the effects of asbestosis and related diseases. This provision is an estimate of liabilities which may arise over a significant number of years. In common with other government departments the future financing of DETI's liabilities will be met by future grants of Supply and the application of future income, both to be approved annually by the Assembly. There is no reason to believe that future approvals will not be forthcoming. It has accordingly been considered appropriate to adopt a going concern basis for the preparation of these financial statements.

Provisions

6. Attention is drawn to Note 21 to the resource accounts where provisions for liabilities and charges are explained. Provisions are set up to cover liabilities where the timing or amount is uncertain. While it is prudent to make such provisions the eventual outturn of these matters cannot be certain. The major provision is in respect of the retained liabilities of Harland & Wolff plc. The Harland & Wolff plc provision for other retained liabilities of £82m (£86m at 31 March 2011) is mainly necessary to meet the company's anticipated costs of employer's liability and public liability claims, both in relation to known claims and to unreported claims expected to crystallise over a significant number of years.

Net Cash Requirement

7. Statement of Parliamentary Supply shows a saving of £8.8m in the Net Cash Requirement. Further detail is contained in note 4.

Important Events since the Financial Year End

8. There are no reportable post balance sheet events.

Reconciliation of Resource Expenditure between Estimates, Accounts and Budgets

	2011/12 £000	2010/11 £000
Net Resource Outturn (Estimates)	**285,067**	**250,458**
Adjustments:		
Less Consolidated Fund Extra Receipts (CFERs) in the FOCS	(2,485)	(3,177)
Add Non Supply Expenditure	(821)	-
Net Operating Costs (Accounts)	**281,761**	**247,281**
Adjustments:		
Add other Consolidated Fund Extra Receipts	2,485	3,177
Remove voted expenditure that is outside the Resource Budget (NDPB Cash Draw & Notionals)	(190,160)	(193,993)
Add NDPB resource consumption	139,919	153,687
Add European Union income related to capital grants	1,393	-
Less capital grants (Department & NDPBs)	(27,831)	(5,509)
Other Adjustments:		
Unrealised EU Foreign Exchange Rate gain/loss	821	-
Resource Budget Outturn (Budget)	**208,388**	**204,643**
Of which:		
Departmental Expenditure Limit (DEL)	184,289	203,940
Annually Managed Expenditure (AME)	24,099	703

Departmental Remuneration Report

Remuneration Policy

1. The remuneration of senior civil servants is set by the Minister for Finance and Personnel. The Minister approved a freeze on senior pay in respect of 2010/11 and 2011/12 pay awards, in line with the Executive's decision in Budget 2011-15 to mirror the UK Coalition Government's commitment to impose pay restraint. The freeze on pay in 2010/11 and 2011/12 also applies to Permanent Secretaries.

2. The pay system in place for senior civil servants in the Northern Ireland Civil Service is currently under review.

Service Contracts

3. Civil service appointments are made in accordance with the Civil Service Commissioners Recruitment Code, which requires appointment to be on merit on the basis of fair and open competition but also includes the circumstances when appointments may otherwise be made.

4. Unless otherwise stated below, the officials covered by this report hold appointments, which are open-ended. Early termination, other than for misconduct, would result in the individual receiving compensation as set out in the Civil Service Compensation Scheme.

5. Further information about the work of the Civil Service Commissioners can be found at www.nicscommissioners.org.

Salary and Pension entitlements

6. The following sections provide details of the remuneration and pension interests of the Ministers and most senior Management of the department.

Remuneration (Audited Information)	2011-12	2010-11
Minister	Salary £	Salary £
Arlene Foster MLA	36,785	37,800

Remuneration (Audited Information)	2011-12	2010-11
Officials	**Salary £'000**	**Salary £'000**
David Sterling, Permanent Secretary	100-105	100-105
Colin Lewis, Deputy Secretary (until 27 January 2012)	70-75** (85-90 full year equivalent)	65-70* (85-90 full year equivalent)
David Thomson, Deputy Secretary	95-100	95-100
Trevor Cooper, Acting Deputy Secretary (from 30 January 2012)	10-15 (80-85 full year equivalent)	N/A
Assistant Secretary (until 29 January 2012)	50-55 (60-65 full year equivalent)	60-65
Philip Angus, Assistant Secretary (partial retirement from 3 January 2012)	55-60 (60-65 full year equivalent)	60-65
Iain McFarlane, Acting Assistant Secretary (from 13th February 2012)	5-10 (55-60 full year equivalent)	N/A
Dr. Ian McMorris, Non-Executive Director (until 11 April 2011)	0-5	5-10
David Beck, Non-Executive Director	5-10	0-5
Dr Donal Flanaghan, Non-Executive Director (until 3 October 2011)	0-5	0-5
Band of Highest Paid Director's Total Remuneration	100-105	100-105
Median Total Remuneration	£27,986	£26,086
Ratio	3.7	3.9

* Colin Lewis was seconded from Invest NI into the position of Deputy Secretary until 30 June 2010. In 2010/11 the Department paid Invest NI in the band £20,000 to £25,000 (net of employer's contributions, pension costs and VAT) for the services of Colin Lewis.

** DETI paid Colin Lewis in the band £85,000 to £90,000 in the 2011-12 year. However, Colin Lewis was seconded to the Office of the Police Ombudsman for NI from 30 January 2012. DETI received in the band £15,000 to £20,000 (net of employer's contributions, pension costs and VAT) from the Office of the Police Ombudsman for NI in respect of this.

Non-Executive Directors are remunerated on a per diem basis.

None of the above received benefits in kind.

Salary

7. '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.

8. The Department of Enterprise, Trade and Investment was under the direction and control of Arlene Foster MLA during the financial year. Her salary and allowances were paid by the Northern Ireland Assembly and have been included as a notional cost in this resource account. These amounts do not include costs relating to a Minister's role as MLA which are disclosed elsewhere.

Benefits in kind

9. The monetary value of benefits in kind covers any benefits provided by the employer and treated by HM Revenue and Customs as a taxable emolument.

Bonuses

10. Bonuses are based and paid on performance levels attained and are made as part of the appraisal process. Bonuses relate to the performance in the year in which they become payable to the individual. There were no non-consolidated bonus payments to any senior civil servants as part of the pay award for 2011/12.

Top to Median Pay Multiples

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

The banded remuneration of the highest-paid director in DETI in the financial year 2011-12 was £100k-£105k (2010-11, £100k-£105k). This was 3.7 times (2010-11, 3.9 times) the median remuneration of the workforce, which was £27,986 (2010-11, £26,086).

In 2011-12, zero (2010-11, zero) employees received remuneration in excess of the highest-paid director.

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

The approved freeze on senior pay (including Permanent Secretaries) has resulted in no change to the remuneration of the highest-paid director.

Staff below Senior Civil Service level have received step progression where applicable in line with the 2011-12 pay settlement.

Pension Benefits (Audited Information)

	Accrued pension at age 65 as at 31-3-12	Real increase in pension at age 65	CETV at 31-3-12	CETV at 31-3-11**	Real increase in CETV
Minister	£'000	£'000	£'000	£'000	£'000
Arlene Foster MLA	0-5	0-2.5	42	31	11

** *The actuarial factors used to calculate CETVs were changed in 2011/12. The CETVs at 31/3/11 and 31/3/12 have both been calculated using the new factors, for consistency. The CETV at 31/3/11 therefore differs from the corresponding figure in last year's report which was calculated using the previous factors.*

Ministerial pensions

12. Pension benefits for Ministers are provided by the Assembly Members' Pension Scheme (Northern Ireland) 2008 (AMPS). The scheme is made under s48 of the Northern Ireland Act 1998. As Ministers will be Members of the Legislative Assembly they may also accrue an MLA's pension under the AMPS (details of which are not included in this report). The pension arrangements for Ministers provide benefits on a "contribution factor" basis which takes account of service as a Minister. The contribution factor is the relationship between salary as a Minister and salary as a Member for each year of service as a Minister. Pension benefits as a Minister are based on the accrual rate (1/50th or 1/40th) multiplied by the cumulative contribution factors and the relevant final salary as a Member.

13. Benefits for Ministers are payable at the same time as MLA's benefits become payable under the AMPS. Pensions are increased annually in line with changes in the Consumer Prices Index. Ministers pay contributions of either 6% or 11.5% of their Ministerial salary, depending on the accrual rate. There is also an employer contribution paid by the Consolidated Fund out of money appropriated by Act of Assembly for that purpose representing the balance of cost. This is currently 23.3% of the Ministerial salary.

14. The accrued pension quoted is the pension the Minister is entitled to receive when they reach 65 or immediately on ceasing to be an active member of the scheme if they are already 65.

The Cash Equivalent Transfer Value (CETV)

15. This 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. It 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 pension benefits they have accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total ministerial service, not just their current appointment as a Minister. CETVs are calculated in accordance with the Occupational Pension Schemes (Transfer Values) (Amendment) Regulations and do not take account of any actual or potential reduction to benefits resulting from Lifetime Allowance Tax which may be due when pension benefits are taken.

16. The actuarial factors used in the CETV calculation were changed during 2011, due to changes in demographic assumptions. This means that the CETV in this year's report for 31/03/11 will not be the same as the corresponding figure shown in last year's report.

The real increase in the value of the CETV

17. This is the increase in accrued pension due to the Departments contributions to the AMPS, and excludes increases due to inflation and contributions paid by the Minister and is calculated using common market valuation factors for the start and end of the period.

Pension Entitlements

Civil Service Pensions (Audited Information) Officials	Accrued pension at age 60 as at 31-3-12 and related lump sum	Real increase in pension and related lump sum at age 60	CETV at 31-3-12	CETV at 31-3-11***	Real increase in CETV	Employer contribution to partnership pension account
	£'000	£'000	£'000	£'000	£'000	Nearest £100
David Sterling Permanent Secretary	40-45 Plus lump sum of 125-130	0-2.5 Plus lump sum of 2.5-5.0	838	791	(19)	-
Colin Lewis Deputy Secretary (until 27 January 2012)	20-25 Plus lump sum of 65-70	0-2.5 Plus lump sum of 0-2.5	397	369	0	-
David Thomson Deputy Secretary	35-40 Plus lump sum of 110-115	0-2.5 Plus lump sum of 0-2.5	853	802	(17)	-
Philip Angus Assistant Secretary (partial retirement from 3 January 2012)	25-30 Plus lump sum of 115-120	2.5-5.0 Plus lump sum of 25-27.5	665	644	(34)	-
Trevor Cooper Assistant Secretary	10-15 Plus lump sum of 35-40	0-2.5 Plus lump sum of 2.5-5.0	218	188	13	-
Iain McFarlane (from 13th February)	5-10 Plus lump sum of 15-20	0-2.5 Plus lump sum of 0-2.5	86	80	3	-

*** *The actuarial factors used to calculate CETVs were changed in 2011/12. The CETVs at 31/3/11 and 31/3/12 have both been calculated using the new factors, for consistency. The CETV at 31/3/11 therefore differs from the corresponding figure in last year's report which was calculated using the previous factors.*

Northern Ireland Civil Service (NICS) Pension arrangements

18. Pension benefits are provided through the Northern Ireland Civil Service pension arrangements which are administered by Civil Service Pensions (CSP). Staff in post prior to 30 July 2007 may be in one of three statutory based 'final salary' defined benefit arrangements (classic, premium, and classic plus). These arrangements are unfunded with the cost of benefits met by monies voted by Parliament each year. From April 2011 pensions payable under classic, premium, and classic plus are increased annually in line with changes in the Consumer Prices Index (CPI). Prior to 2011, pensions were increased in line with changes in the Retail Prices Index (RPI). New entrants joining on or after 1 October 2002 and before 30 July 2007 could choose between membership of premium or joining a good quality 'money purchase' stakeholder arrangement with a significant employer contribution (partnership pension account). New entrants joining on or after 30 July 2007 are eligible for membership of the nuvos arrangement or they can opt for a partnership pension account. Nuvos is an 'Career Average Revalued Earnings' (CARE) arrangement in which members accrue pension benefits at a percentage rate of annual pensionable earnings throughout the period of scheme membership. The current rate is 2.3%. CARE pension benefits are increased annually in line with increases in the CPI. For 2012, public service pensions will be increased by 5.2% with effect from 9 April.

19. Employee contributions are set at the rate of 1.5% of pensionable earnings for classic and 3.5% for premium, classic plus and nuvos. Benefits in classic accrue at the rate of 1/80th of pensionable salary for each year of service. In addition, a lump sum equivalent to three years' pension is payable on retirement. For premium, benefits accrue at the rate of 1/60th of final pensionable earnings for each year of service. Unlike classic, there is no automatic lump sum (but members may give up (commute) some of their pension to provide a lump sum). Classic plus is essentially a variation of premium, but with benefits in respect of service before 1 October 2002 calculated broadly as per classic.

20. The partnership pension account is a stakeholder pension arrangement. The employer makes a basic contribution of between 3% and 12.5% (depending on the age of the member) into a stakeholder pension product chosen by the employee. The employee does not have to contribute but where they do make contributions, the employer will match these up to a limit of 3% of pensionable salary (in addition to the employer's basic contribution). Employers also contribute a further 0.8% of pensionable salary to cover the cost of centrally-provided risk benefit cover (death in service and ill health retirement).

21. The accrued pension quoted is the pension the member is entitled to receive when they reach pension age, or immediately on ceasing to be an active member of the scheme if they are at or over pension age. Pension age is 60 for members of classic, premium, and classic plus and 65 for members of nuvos. Further details about the CSP arrangements can be found at the website www.civilservice-pensions.gov.uk

Cash Equivalent Transfer Values

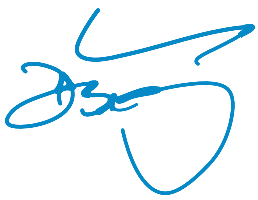
22. A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment 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 CSP 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.

23. The actuarial factors used in the CETV calculation were changed during 2011, due to changes in demographic assumptions. This means that the CETV in this year's report for 31/03/11 will not be the same as the corresponding figure shown in last year's report.

Real increase in CETV

24. 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.



David Sterling
Accounting Officer

29 June 2012

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Statements and Certificates

Department of Enterprise, Trade and Investment Statement of Accounting Officer's Responsibilities

Year to 31 March 2012

Under the Government Resources and Accounts Act (Northern Ireland) 2001 the Department of Finance and Personnel has directed the Department to prepare for each financial year resource accounts detailing the resources acquired, held, or disposed of during the year and the use of resources by the Department during the year.

The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of the Department, the net resource outturn, resources applied to objectives, changes in taxpayer's equity and cash flows for the financial year.

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

- observe the Accounts Direction issued by the Department of Finance and Personnel, including relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis;
- make judgements and estimates on a reasonable basis;
- state whether applicable accounting standards, as set out in the Government Financial Reporting Manual, have been followed, and disclose and explain any material departures in the accounts; and
- prepare the accounts on a going concern basis.

The Department of Finance and Personnel has appointed the Permanent Head of the Department as Accounting Officer of the Department. The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which an Accounting Officer is answerable, for keeping proper records and for safeguarding the Department's assets, are set out in Managing Public Money NI issued by the Department of Finance and Personnel.

David Sterling
Accounting Officer

29 June 2012

Statement on Internal Control - Statement for year to 31 March 2012

1. Scope of Responsibility

As Accounting Officer, I have responsibility for maintaining a sound system of internal control that supports the achievement of the Department of Enterprise, Trade and Investment's policies, aims and objectives, whilst safeguarding the public funds and Departmental assets for which I am personally responsible, in accordance with the responsibilities assigned to me in Managing Public Money Northern Ireland.

The Department sponsors four non departmental public bodies (NDPBs): Invest Northern Ireland; Northern Ireland Tourist Board; Health and Safety Executive for Northern Ireland and the General Consumer Council for Northern Ireland. I have designated the Chief Executives of those NDPBs as Accounting Officers for their organisations. Their responsibilities are set out in the NDPB Accounting Officer Memorandum, which they received when taking up appointment.

The Department and the Department of Enterprise, Trade and Employment in the Republic of Ireland jointly sponsor InterTradeIreland and the Department jointly sponsors Tourism Ireland Limited alongside the Department of Arts, Sport and Tourism in the Republic of Ireland. I have designated the Chief Executives of InterTradeIreland and Tourism Ireland Limited as the Accountable Persons for these organisations.

2. The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness.

The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of Departmental policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in the Department for the year ended 31 March 2012 and up to the date of approval of the accounts, and accords with Department of Finance and Personnel guidance.

3. Capacity to Handle Risk

Under the leadership of the Departmental Board and the Departmental Audit Committee, we are carrying out appropriate procedures to ensure that we identify the Department's objectives and risks and devise a control strategy for each of the significant risks. As a result, risk ownership has been allocated to the appropriate staff and the Department has set out its attitude to risk in relation to the achievement of the Department's objectives. More specifically the Department has:

- a Risk Management policy document;
- delivered risk management training for relevant staff;
- produced risk registers at strategic (corporate) and operational (divisional) levels;
- maintained a system of quarterly risk reporting via stewardship statements by heads of division for the year ended 31 March 2012; and
- maintained a formal system of risk reporting to the Departmental Board and the Departmental Audit Committee for the year ended 31 March 2012.

4. The Risk and Control Framework

The Departmental Board has ensured that procedures are in place for verifying that risk management and internal control are regularly reviewed and reported on. As well as regular reports to the Departmental Board, risk management and internal control are regularly reviewed by the Departmental Audit Committee. Risk management is continually being incorporated into the corporate planning and decision-making processes of the Department.

During the year, assurance statements were submitted, on a six monthly basis, to the Departmental Accounting Officer by the Heads of Management Services Group and Policy Group. Six monthly assurance statements were also submitted by the Chief Executives of the Department's four NDPBs. These provided an account of internal control matters arising in each of the reporting periods.

The Departmental Board and the Departmental Audit Committee receive periodic reports concerning internal control. The appropriate steps are being taken to manage risks in significant areas of responsibility and to monitor progress on key projects.

The Department's key objectives and risks are regularly assessed to ensure consistency of treatment.

Quarterly oversight and liaison meetings take place between Departmental and NDPB representatives. These meetings cover performance against targets; finance issues; policy issues; and corporate governance issues.

5. Review of Effectiveness

As Accounting Officer, I have responsibility for reviewing the effectiveness of the system of internal control. My review of the effectiveness of the system of internal control is informed by the work of the internal auditors and the executive managers within the Department who have responsibility for the development and maintenance of the internal control framework, and comments made by external auditors in their management letters and other reports. I have been advised on the implications of the result of my review of the effectiveness of the system of internal control by the Departmental Board and the Departmental Audit Committee and plans to address weaknesses and ensure continuous improvement of the system are in place.

The Departmental Board and the Departmental Audit Committee meet quarterly and receive regular reports on risk management and internal control issues. Representatives from the Northern Ireland Audit Office and the Department's Internal Audit Service attend the Departmental Audit Committee.

Reflecting the emphasis which the Department gives to an effective corporate governance framework, key procedures are regularly reviewed and revised in order to strengthen and improve controls. Appropriate guidance and delegated limits are established to promote control and consistency in decision making across the Department's activities.

The Department has an Internal Audit Service, which operates to HM Treasury's Government Internal Audit Standards. Internal Audit Service constructs its annual audit programme in light of the Department's and NDPBs' Risk Registers. Internal Audit Service submits regular reports which include the Head of Internal Audit's independent opinion on the adequacy and effectiveness of the Department's system of internal control together with recommendations for improvement. Internal Audit Service has provided an overall satisfactory opinion with regard to the adequacy of the Department's risk management, control and governance processes for the 2011-12 year. Internal Audit Service previously issued a 'limited' opinion following a review of Minerals / Geological Survey of Northern Ireland which featured as part of the 2010/11 audit programme. However, Internal Audit Service has advised that fieldwork has recently been undertaken to confirm the implementation of recommendations previously made in this area and that due to the significant progress made, the limited opinion previously attributed to this area will be raised to "satisfactory".

6. Information Security

During the year work continued to maintain and improve information security awareness and dissemination of best practice. The Department carried out a Security Risk Management Overview in June 2011. This is an annual exercise which reports to the Head of the NICS and includes a single return for DETI and its NDPBs. The report contains an independent assurance statement from the Head of Internal Audit and is endorsed by me as Accounting Officer. The DETI Information Security Policy compendium continued to be updated and disseminated during the year. In particular two new policies were added, namely NICS IT Assist Blackberry Service Deployment Use and Support Policy; and NICS Personal Electronic Device Policy. The annual departmental Information Security Review was completed in February 2012 which gave assurance that formal documented policies and procedures are in place, supported by well designed practices. The Department carried out a series of three Information Security Awareness Sessions for all staff at Grade 7 and above. In addition, all staff were issued with a reminder on "Personal Safety and Equipment Security – Be Aware". This included the "10 Key Rules on Securing Personal and Sensitive Data" and some basic measures which should be adopted to minimise the likelihood of attracting a physical attack and loss of official equipment/data. Information Security continued to be a regular item at Departmental Board meetings and Heads of Branches are required to review information security compliance in their 6 monthly internal assurance statement checklists. Paragraph 156 of the Management Commentary refers to personal data relating to an individual being leaked to the media. The Department took action to mitigate the risk of a reoccurrence.

7. Significant Internal Control Problems

Public Accounts Committee Issues

On 18 January 2012, Invest NI and the Department provided evidence to the Assembly's Public Accounts Committee on an NIAO report "DETI: The Bioscience and Technology Institute". The Public Accounts Committee published its report on 23 May 2012 and a response will be made in the form of a Memorandum of Reply.

Other Issues

Grant was paid to Craigavon Borough Council under the Interreg IIIA programme for the installation of renewable energy boilers. Following checks undertaken by the funders, a suspected fraud in connection with the tendering process for installation of the boilers was discovered. The Department is pursuing clawback of grant.

During the year the European Commission issued a Letter of Interruption to the European Sustainable Competitiveness Programme. The effect of the Letter of Interruption was to stop further funds being drawn down under the Programme until a number of specified remedial actions had been taken. Action plans were drawn up to ensure that any necessary remedial actions were undertaken and the Commission lifted the Letter of Interruption on 22 June 2012.

The Department, through NITB, has applied for €21 million EU funding for the Titanic Signature Project under the EC Competitiveness Programme. The Commission has questioned the application on the basis of a view that it did not fully comply with procurement regulations. The Department took legal advice before applying for the EU funding and disagrees with the Commission's opinion on the matter which is now being progressed by both parties' legal advisors.

A review of an Intereg IIIA project has determined that expenditure is not deemed eligible from an EU perspective. At this point, clawback of grant funding is being progressed. In parallel, further work is being undertaken to review the benefit received from the project.

David Sterling
Accounting Officer
29 June 2012

Department of Enterprise, Trade and Investment Certificate and Report of the Comptroller and Auditor General to the Northern Ireland Assembly

I certify that I have audited the financial statements of the Department of Enterprise Trade & Investment for the year ended 31 March 2012 under the Government Resources and Accounts Act (Northern Ireland) 2001. These comprise the Statement of Comprehensive Net Expenditure, the Statement of Financial Position, the Statement of Cash Flows, the Statement of Changes in Taxpayers' Equity and the related notes. I have also audited the Statement of Assembly Supply and the related notes. These financial statements have been prepared under the accounting policies set out within them. I have also audited the information in the Remuneration Report that is described in that report as having been audited.

Respective responsibilities of the Accounting Officer and auditor

As explained more fully in the Statement of Accounting Officer's Responsibilities, the Accounting Officer is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. My responsibility is to examine, certify and report on the financial statements in accordance with the Government Resources and Accounts Act (Northern Ireland) 2001. I conducted my audit in accordance with International Standards on Auditing (UK and Ireland).Those standards require me and my staff to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

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

I am required to obtain evidence sufficient to give reasonable assurance that the Statement of Assembly Supply properly presents the outturn against Assembly control totals and that those totals have not been exceeded.

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

Opinion on Regularity

In my opinion, in all material respects:

- the Statement of Assembly Supply properly presents the outturn against voted Assembly control totals for the year ended 31 March 2012 and shows that those totals have not been exceeded; and
- the expenditure and income have been applied to the purposes intended by the Assembly and the financial transactions conform to the authorities which govern them.

Opinion on financial statements

In my opinion:

- the financial statements give a true and fair view of the state of the Department's affairs as at 31 March 2012 and of its net operating cost, cash flows and changes in taxpayers' equity for the year then ended; and
- the financial statements have been properly prepared in accordance with the Government

Resources and Accounts Act (Northern Ireland) 2001 and Department of Finance and Personnel directions issued thereunder.

Emphasis of matter: Material Uncertainty on Provisions

Without qualifying my opinion, I draw attention to Note 21 of the financial statements which indicates the existence of significant uncertainty over the adequacy or excessiveness of the provisions at 31 March 2012 of £82.3 million of which £82.2 million is largely in relation to anticipated asbestosis-related illnesses claims. The ultimate outcome of the matter cannot be accurately determined at present.

Opinion on other matters

In my opinion:

- the part of the Remuneration Report to be audited has been properly prepared in accordance with Department of Finance and Personnel directions made under the Government Resources and Accounts Act (Northern Ireland) 2001; and
- the information given in the Directors' Report, Management Commentary, Sustainability Report and the Financial Performance in the Period for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which I report by exception

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

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

Report

I have no observations to make on these financial statements.

Kieran J Donnelly

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

29 June 2012

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Accounting Schedules

for the Period ended 31 March 12

Department of Enterprise, Trade and Investment Statement of Assembly Supply for the period ended 31 March 2012

Summary of Resource Outturn

Request for Resources	Note	Estimate			Outturn			2011-12	2010-11
		Gross Expend-iture £000	Accruing Resources £000	Net Total £000	Gross Expend-iture £000	Accruing Resources £000	Net Total £000	Net total outturn compared with Estimate saving/ (excess) £000	Prior-year outturn £000
RfR A: To grow a dynamic, innovative economy									
Total Resources	**2**	**297,385**	**(10,024)**	**287,361**	**294,820**	**(9,753)**	**285,067**	**2,294**	**250,458**
Non-operating Accruing Resources				(8,750)			(8,750)	-	(10)

Net cash requirement 2011-12

	Note	2011-12 Estimate £000	Outturn £000	Net total outturn compared with estimate £000	2010-11 Outturn £000
Net cash requirement	4	469,561	460,768	8,793	242,190

Summary of income payable to the Consolidated Fund

In addition to Accruing Resources, the following income relates to the Department and is payable to the Consolidated Fund *(cash receipts being shown in italics)*

	Note	Forecast 2011-12		Outturn 2011-12	
		Income £000	*Receipts* £000	Income £000	*Receipts* £000
Total	5	2,500	*4,567*	2,485	*4,234*

Note: The Statement of Assembly Supply has not restated 2010-11 figures in relation to the transfer of Statistics branch staff and functions to the Northern Ireland Statistics and Research Agency (NISRA), an agency within the Department of Finance and Personnel, as Prior Year figures are indelible and should not be changed from those stated in prior year certified accounts.

Notes 1 to 32 form part of these accounts

Explanation of variances between Estimates and Outturn are given in Note 2 and the Management Commentary.

Statement of Comprehensive Net Expenditure for the period ended 31 March 2012

	Note			2011-12	Restated 2010-11
		Staff Costs £000	Other Costs £000	Income £000	Total £000
Administration Costs:					
Staff Costs	9	11,276	-	-	11,318
Other administration costs	10	-	5,821	-	6,278
Operating income	12	-	-	-	-
Programme Costs					
Staff costs	9	9,627	-	-	9,303
Programme costs	11	-	267,275	-	228,541
Income	12	-	-	(12,238)	(10,352)
Totals		**20,903**	**273,096**	**(12,238)**	**245,088**
Net Operating Cost	3	**-**	**-**	**281,761**	**245,088**

Notes 1 to 32 form part of these accounts

Other Comprehensive Expenditure for the period ended 31 March 2012

	Note	2011-12 £000	Restated 2010-11 £000
Net (gain)/loss on revaluation of property, plant and equipment	13	249	(145)
Net (gain)/loss on revaluation of intangible assets	14	(293)	(256)
		(44)	(401)
Net Operating Cost		**281,761**	**245,088**
Total Comprehensive Expenditure		**281,717**	**244,687**

Note: The 2010-11 figures have been restated to exclude expenditure of £2,193,689 relating to the transfer of Statistics branch staff and functions to the Northern Ireland Statistics and Research Agency (NISRA), an agency within the Department of Finance and Personnel. The impact of this transfer on the Statement of Comprehensive Net Expenditure has been disclosed in Note 31.

Statement of Financial Position for the period ended 31 March 2012

Non-current assets	Note	2011-12 £000	Restated 2010-11 £000	2009-10 £000
Property, plant and equipment	13	2,255	2,573	2,525
Intangible assets	14	6,359	6,403	6,144
Financial assets	15	167,308	-	-
Investment in associates	16	-	-	-
Total non-current assets		**175,922**	**8,976**	**8,669**
Current assets				
Trade and other receivables	17	19,428	21,355	52,190
Cash and cash equivalents	18	386	188	260
Total current assets		19,814	21,543	52,450
Total assets		**195,736**	**30,519**	**61,119**
Current liabilities				
Trade and other payables	20	(36,115)	(41,135)	(61,592)
Provisions	21	(8,060)	(5,643)	(19,240)
Total current liabilities		(44,175)	(46,778)	(80,832)
Non-current assets plus/less net current assets/liabilities		**151,561**	**(16,259)**	**(19,713)**
Non-current liabilities				
Provisions	21	(74,257)	(86,898)	(79,906)
Total non-current liabilities		(74,257)	(86,898)	(79,906)
Assets less liabilities		**77,304**	**(103,157)**	**(99,619)**
Taxpayers' equity				
General fund		75,180	(105,295)	(101,406)
Revaluation reserve		2,124	2,138	1,787
Total Taxpayers' equity		**77,304**	**(103,157)**	**(99,619)**

Note: The 2010-11 figures have been restated to exclude assets of £27,740 and accrued expenditure of £24,271 relating to the transfer of Statistics branch staff and functions to the Northern Ireland Statistics and Research Agency (NISRA), an agency within the Department of Finance and Personnel. The impact of this transfer on the Statement of Financial Position has been disclosed in Note 31.

The 2009-10 figures have not been restated as the amounts relating to the transfer of function in that year are not considered material enough to effect the understanding of the comparison between years.

Notes 1 to 32 form part of these accounts

David Sterling
Accounting Officer
29 June 2012

Statement of Cash Flows
for the period ended 31 March 2012

	Note	2011-12 £000	Restated 2010-11 £000
Cash flows from operating activities			
Net operating cost	3	(281,761)	(245,088)
Transfer of function	3	-	(2,193)
Non Supply Expenditure	11	(821)	-
Adjustments for non-cash transactions	9, 10,11	24,874	5,554
(Increase)/decrease in trade and other receivables	17	1,927	30,835
Non-cash movement in trade receivables and other current liabilities	10,11	775	304
Less movements in receivables relating to items not passing through the SCNE			
Consolidated Fund Supply	17	1,486	-
Capital Receivables - accrued interest	15	(1,058)	-
Increase/(decrease) in trade payables	20	(4,934)	(20,395)
Transfer of function	31	-	24
Less movements in payables relating to items not passing through the SCNE			
Consolidated Fund Extra Receipts	20	234	14,647
Consolidated Fund Supply	20	56	(171)
Use of provisions	21	(5,635)	(7,658)
Net cash outflow from operating activities		**(264,857)**	**(224,141)**
Cash flows from investing activities			
Purchase of property, plant and equipment	13	(65)	(43)
Purchase of intangible assets	14	(52)	(335)
Transfer of function	31	-	(28)
Proceeds on disposal of property, plant and equipment		-	-
Loans to other bodies	15	(200,000)	-
Repayment of loans - principal	15	8,750	-
Net cash outflow from investing activities		**(191,367)**	**(406)**

	Note	2011-12 £000	Restated 2010-11 £000
Cash flows from financing activities			
From the Consolidated Fund - current year	19	459,226	242,246
From the Consolidated Fund - prior year	19	-	115
Net financing		**459,226**	**242,361**
Net increase/(decrease) in cash and cash equivalents in the period before adjustment for receipts and payments to the Consolidated Fund		**3,002**	**17,814**
Payments of amounts due to the Consolidated Fund		(1,611)	(17,824)
Repayment of Consolidated Fund Receipts to EU		(1,107)	-
Net increase/(decrease) in cash and cash equivalents in the period after adjustment for receipts and payments to the Consolidated Fund	18	284	(10)
Cash and cash equivalents at the beginning of the period	18	102	112
Cash and cash equivalents at the end of the period	18	**386**	**102**

Note: The 2010-11 figures have been restated to exclude expenditure of £2,193,689, assets of £27,740 and accrued expenditure of £24,271 relating to the transfer of Statistics branch staff and functions to the Northern Ireland Statistics and Research Agency (NISRA), an agency within the Department of Finance and Personnel. As cash and cash equivalents at the end of the period are indelible the restated amounts have been added back. The overall impact of this transfer has been disclosed in Note 31.

Notes 1 to 32 form part of these accounts

Statement of Changes in Taxpayers' Equity for the period ended 31 March 2012

	Note	General Fund £000	Revaluation Reserve £000	Total Reserves £000
Balance at 31 March 2010		**(101,406)**	**1,787**	**(99,619)**
Transfer of Function	31	-	-	-
Restated Balance at 1 April 2010		(101,406)	1,787	(99,619)
Change in taxpayer's equity for 2010-11				
Net Assembly Funding - drawn down	19	242,246	-	242,246
Net Assembly Funding - deemed		-	-	-
Supply (payable)/receivable adjustment	20	(56)	-	(56)
Amounts repayable to the Consolidated Fund	6	(3,177)	-	(3,177)
Comprehensive Expenditure for the year (restated)		(244,687)	-	(244,687)
Non-cash charges - auditors remuneration	10	60	-	60
Non-cash charges - other notional costs	9,10	4,273	-	4,273
Recognised in Statement of Comprehensive Expenditure		(401)	401	-
Transfers between reserves		50	(50)	-
Transfer of function	31	(2,197)		(2,197)
Restated Balance at 31 March 2011		**(105,295)**	**2,138**	**(103,157)**
Changes in taxpayer's equity for 2011-12				
Net Assembly Funding - drawn down	19	459,226	-	459,226
Net Assembly Funding - deemed	20	56	-	56
Supply (payable)/receivable adjustment	17,20	1,486	-	1,486
Amounts repayable to the Consolidated Fund	5	(2,485)	-	(2,485)
Comprehensive Expenditure for the year		(281,717)	-	(281,717)
Non-cash charges - auditor's remuneration	10	54	-	54
Non-cash charges - other notional costs	9,10	3,841	-	3,841
Recognised in Statement of Comprehensive Expenditure	13,14	(44)	44	-
Transfers between reserves		58	(58)	-
Balance at 31 March 2012		**75,180**	**2,124**	**77,304**

Note: The 2010-11 figures have been restated to exclude expenditure of £2,193,689, assets of £27,740 and accrued expenditure of £24,271 relating to the transfer of Statistics branch staff and functions to the Northern Ireland Statistics and Research Agency (NISRA), an agency within the Department of Finance and Personnel. The Comprehensive Net Expenditure for the year has also been restated to reflect the reduction in expenditure of £2,193,689. The overall impact of this transfer has been disclosed in Note 31.

Notes 1 to 32 form part of these accounts

4

Notes to the Resource Accounts

Department of Enterprise, Trade and Investment Notes to the Departmental Resource Accounts

Statement of Accounting Policies

These financial statements have been prepared in accordance with the 2011-12 Government Financial Reporting Manual (FReM) issued by the Department of Finance and Personnel. The accounting policies contained in the FReM apply International Financial Reporting Standards (IFRS) as adapted or interpreted for the public sector context. The IASB have issued new and amended standards (IFRS 10, IFRS 11 & IFRS 12) that affect the consolidation and reporting of subsidiaries, associates and joint ventures. These standards have an effective date of January 2013, but have not yet been EU adopted. The application of these IFRS changes is subject to further review by Treasury and the other Relevant Authorities before due process consultation.

Accounting boundary IFRS' are currently adapted in the FReM so that the Westminster departmental accounting boundary is based on ONS control criteria, as designated by Treasury. A review of the NI financial process is currently under discussion with the Executive, which will bring NI departments under the same adaptation. Should this go ahead, the impact on departments is expected to focus around the disclosure requirements under IFRS 12. The impact on the consolidation boundary of NDPB's and trading funds will be subject to review, in particular, where control could be determined to exist due to exposure to variable returns (IFRS 10), and where joint arrangements need reassessing.

Where the FReM permits a choice of accounting policy, the accounting policy which has been judged to be most appropriate to the particular circumstances of the Department of Enterprise, Trade and Investment for the purpose of giving a true and fair view has been selected. The particular accounting policies adopted by the Department are described below. They have been applied consistently in dealing with items considered material in relation to the accounts.

In addition to the primary statements prepared under IFRS, the FReM also requires the Department to prepare two additional primary statements. The Statement of Assembly Supply and supporting notes show outturn against Estimate in terms of the net resource requirement and the net cash requirement. The Statement of Operating Cost by Departmental Strategic Objectives and supporting notes analyse the Department's income and expenditure by the objectives agreed with Ministers.

1.1 Accounting Convention

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

1.2 Basis of Consolidation

These accounts comprise the activities of the core department.

The accounts of Harland and Wolff Plc, which is sponsored by the Department, are not included by way of consolidation as they are outside the departmental boundary.

Four Executive Non-Departmental Public Bodies, General Consumer Council for Northern Ireland, Health and Safety Executive for Northern Ireland, Invest Northern Ireland, Northern Ireland Tourist Board, and two Cross-Border Bodies – InterTradeIreland and Tourism Ireland Limited – are not included in the consolidated resource accounts by way of consolidation, but are included by way of accounting for funds paid as grant or expenses.

The public sector bodies, which have not been consolidated in these accounts, publish their own annual reports and accounts, detailing their financial activity during the year.

1.3 Property, Plant and Equipment

Expenditure on property, plant and equipment of over £1,000 is capitalised.

On initial recognition property, plant and equipment are measured at cost including any expenditure, such as installation, directly attributable to bringing them into working condition.

All property, plant and equipment are carried at fair value.

With the exception of land and buildings and items under construction, fair value is estimated by restating the value annually by reference to indices compiled by the Office of National Statistics (ONS).

Land and buildings are carried at the last professional valuation, in accordance with the Appraisal and Valuation Manual produced jointly by the Royal Institute of Chartered Surveyors (RICS), the Incorporated Society of Valuers and Auctioneers (ISVA) and the Institute of Revenues Rating and Valuation (IRRV). Professional revaluations of land and buildings are undertaken every five years. They are revalued annually, between professional valuations, using indices provided by Land and Property Service, an executive agency within DFP. Properties are valued on the basis of open market value, unless they are specialised, in which case they are valued on the basis of depreciated replacement cost. The Department does not currently have any specialised land or buildings.

1.4 Intangible Assets

The capitalisation threshold for intangible assets is £1,000.

Software and associated licenses are capitalised under intangible assets. Licenses running for a year or less than one year are not capitalised regardless of value.

Databases are capitalised where the specific recognition criteria of IAS 38 are met.

All intangible assets are carried at fair value and are revalued annually in accordance with the movement in the RPI.

1.5 Depreciation

Property, plant and equipment and intangible assets are depreciated at rates calculated to write them down to estimated residual value on a straight-line basis over their estimated useful lives. Depreciation is charged in the month of acquisition; none is charged in the month of disposal.

No depreciation is provided on freehold land as it has an unlimited or very long established useful life. Items under construction are not depreciated until they are commissioned.

Depreciable assets normally have useful lives in the following ranges:

Buildings	50 years
Plant and Machinery	3-20 years
Fixtures & Fittings	3-10 years
Office Equipment	3-10 years
Information Technology	3-10 years
Motor Vehicles	3-10 years
Intangibles (Software and Databases)	2-30 years

1.6 Financial Instruments

A financial instrument is defined as any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

A financial instrument is recognised when, and only when, the Department becomes a party to the contractual provisions of the instrument.

The Department has financial instruments in the form of loans, trade receivables and payables, cash and cash equivalents, unquoted equity instruments.

In accordance with IAS 39 Financial Instruments: Recognition and Measurement loans, trade receivables, cash and other receivables are classified as 'loans and receivables'. Loans and receivables are initially measured at fair value plus directly related transaction costs. They are subsequently measured at amortised cost using the effective interest rate method. Unquoted equity instruments whose value can be reliability measured are designated as available-for-sale and measured at fair value.

The Department assesses at each reporting year end date whether there is any objective evidence that a financial asset or group of financial assets is impaired.

For Loans and Receivables, the Department measures the amount of the loss as the difference between the carrying amount of the asset and the present value of estimated future cash flows from the asset discounted at the effective interest rate of the instrument at initial recognition.

When a financial asset is deemed unrecoverable the amount of the asset is reduced directly and the impairment loss is recognised in the Statement of Comprehensive Net Expenditure to the extent that a provision was not previously recognised.

Based on historical experience, trade receivables that are past due beyond 361 days are generally not recoverable.

Financial liabilities are initially measured at fair value, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

1.7 Investments in associates

An associate is an entity over which the Department is in a position to exercise significant influence, but not control or joint control, through participation in the financial and operating policy decisions of the investee. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

Investments in associates are carried at the Departments share of the net assets of the associate.

1.8 Operating Income (including income receivable from the European Union)

Operating income is income which relates directly to the operating activities of the Department. It comprises, principally, fees and charges for services provided, on a full cost basis, to external customers and public repayment work and other recoveries, which have been deemed to relate to administration expenditure. All other income is treated as programme. Income includes both that which is accruing resources and income collected by the Department which is due to the Consolidated Fund. This income is known as Consolidated Fund Extra Receipts (CFERs).

EU income is separately identified and is recognised in the year in which the underlying activity takes place, in so far as it is practicable to do so.

1.9 Administration and Programme Expenditure

The Statement of Comprehensive Net Expenditure is analysed between administration and programme income and expenditure. Administration costs reflect the costs of running the Department, as defined under the administration cost control regime, together with the associated operating income. Income is analysed in the notes between that which, under the regime, is allowed to be offset against gross administrative costs in determining the outturn against the administration cost limit, and that operating income which is not. Programme costs reflect non-administrative costs, including payments of grants and other disbursements by the Department.

1.10 Grants

The Department recognises grant expenditure in the year in which the recipient carries out the activity that creates entitlement to the grant support, in so far as it is practicable to do so.

1.11 Notional Charges

Some of the costs directly related to the running of the Department are borne by other Departments or organisations and are outside the Department's Vote. These costs have been included on the basis of the estimated cost incurred by the providing organisation.

1.12 Transfer of Function

From 1 April 2011, all Statistics Branch staff and functions transferred to the Northern Ireland Statistics and Research Agency (NISRA); an agency within the Department of Finance and Personnel. This is a Machinery of Government change, and as such the comparative figures in the accounts have been restated to exclude Statistics Branch transactions. The effects of this adjustment on the comparative figures of the accounting schedules can be found at Note 31.

1.13 Value Added Tax

Irrecoverable VAT is charged to relevant expenditure category or included in the capitalised purchase cost of fixed assets. Where output tax is charged or input VAT is recoverable, the amounts are stated net of VAT.

1.14 Foreign Exchange

Revenue and expenditure incurred in foreign currencies are translated into sterling at the rate of exchange ruling on the date of each transaction. Any outstanding monetary assets or liabilities held in foreign currencies are translated at the rate of exchange ruling at the reporting year date. Translation differences are charged directly to the Statement of Comprehensive Net Expenditure.

1.15 Pensions

Past and present employees are covered by the provisions of the Principal Civil Service Pension Scheme (Northern Ireland) (PCSPS (NI)). The defined benefit scheme is unfunded and is non-contributory except in respect of dependents' benefits. The Department recognises the expected cost of these elements on a systematic and rational basis over the year during which it benefits from employees' services by payment to the PCSPS (NI) of amounts calculated on an accruing basis. Liability for payment of future benefits is a charge on the PCSPS (NI).

In respect of defined contribution schemes, the Department recognises the contributions payable for the year.

1.16 Early Retirement Costs

The Department is required to meet the additional cost of benefits beyond the normal PCSPS (NI) benefits in respect of employees who retire early.

1.17 Provisions

The Department provides for liabilities and charges where, at the reporting year date, a legal or constructive liability exists (i.e. a present obligation from past events exists), where the transfer of economic benefits is probable and a reasonable estimate can be made. Where the time value of money is material, the Department discounts the provision to its present value using a discount rate of 2.2%, the Government's standard rate. Each year the financing charges in the Statement of Comprehensive Net Expenditure include the adjustments to amortise one year's discount.

1.18 Contingent Liabilities

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

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

1.19 Third Party Assets

The Department's Insolvency Account holds money received in respect of company liquidations, bankruptcies and estates of deceased insolvents, pending authorised appropriation. This is not a Departmental asset and is not included in the accounts, since neither the Department nor Government more generally has a direct beneficial interest in it.

1.20 Employee Benefits

IAS 19 requires that the Department recognises the cost of employee benefits that have been earned but not paid by the year end as a liability. An accrual for the estimated cost of total employee annual leave at the year end has been included in the accounts. This figure is provided by HR Connect.

1.21 Cash and Cash Equivalents

Cash and cash equivalents are comprised entirely of cash on hand. The Department does not have any demand deposits or any short-term, highly liquid investments.

2. Analysis of net resource outturn by section

	2011-12								2010-11
	Outturn						Estimate		
	Admin £000	Other current £000	Grants £000	Gross resource Expend-iture £000	Accruing Resources £000	Net Total £000	Net Total £000	Net Total outturn compared with Estimate £000	Prior-year outturn £000
RfR A: To grow a dynamic, innovative economy									
Departmental Expenditure in DEL									
1. Economic Development, Policy & Research	9,803	1,200	99	**11,102**	(103)	**10,999**	11,513	514	13,352
2. Economic Infrastructure/Minerals	2,256	3,057	1,946	**7,259**	(1,329)	**5,930**	6,540	610	10,899
3. Invest Northern Ireland	106	-	-	**106**	-	**106**	106	-	89
4. Development of Tourism	324	3	-	**327**	-	**327**	343	16	312
5. Tourism Ireland Ltd	155	-	20,031	**20,186**	-	**20,186**	20,257	71	16,231
6. InterTradeIreland	106	-	2,877	**2,983**	-	**2,983**	2,985	2	3,561
7. ERDF Support for Economic Development	-	-	2,835	**2,835**	(2,792)	**43**	44	1	22
8. EU Community Initiatives	-	-	1,713	**1,713**	(1,287)	**426**	431	5	511
9. Business Regulatory Services	453	6,920	-	**7,373**	(1,973)	**5,400**	5,791	391	5,604
10. Business Regulatory Services - Assistance to the Presbyterian Mutual Society	-	-	25,000	**25,000**	(2,269)	**22,731**	22,731	-	-
11. Health and Safety	-	5,365	-	**5,365**	-	**5,365**	5,563	198	5,135

2. Analysis of net resource outturn by section continued

								2011-12	2010-11
						Outturn		Estimate	
	Admin £000	Other current £000	Grants £000	Gross resource Expend-iture £000	Accruing Resources £000	Net Total £000	Net Total £000	Net Total outturn compared with Estimate £000	Prior-year outturn £000
Annually Managed Expenditure (AME)									
12. Provisions – Economic Development, Policy & Research	-	1,410	-	**1,410**	-	**1,410**	1,398	(12)	1,272
13. Provisions – Economic Infrastructure Minerals	-	(5,999)	-	**(5,999)**	-	**(5,999)**	(5,834)	165	(218)
14. Provisions - Exchange Rate Loss/ Gain	-	-	-	**-**	-	**-**	-	-	(545)
15. Provisions - Bad Debt	-	-	-	**-**	-	**-**	-	-	240
16. NI Renewable Heat Incentive	-	-	-	**-**	-	**-**	200	200	-
17. Revaluation of Assets	-	25,000	-	**25,000**	-	**25,000**	25,000	-	-
Non-Budget									
18. Invest NI – Grant	-	-	154,012	**154,012**	-	**154,012**	154,012	-	147,645
19. NI Tourist Board – Grant	-	-	29,895	**29,895**	-	**29,895**	29,898	3	39,602
20. Consumer Council for N Ireland – Grant	-	-	1,481	**1,481**	-	**1,481**	1,481	-	1,401
21. Health and Safety	-	-	878	**878**	-	**878**	878	-	1,011
22. Notional Charges	3,894	-	-	**3,894**	-	**3,894**	4,024	130	4,334
Total	**17,097**	**36,956**	**240,767**	**294,820**	**(9,753)**	**285,067**	**287,361**	**2,294**	**250,458**

Explanation of the Variation Between Estimate and Outturn (Net Total Resources)

i Economic Development, Policy and Research - £0.514m

Variance is due to several small areas of savings across Economic Development, Policy & Research, particularly against the administration budget.

(ii) Economic Infrastructure/Minerals - £0.610m

Slippage in costs associated with the setting up and OFGEM administration of the Renewable Heat Incentive Scheme totalling £0.4m, combined with small underspends in other areas.

(iii) Business Regulatory Services - £0.391m

Savings in Consumer Affairs and Insolvency Service administration budgets of circa £0.25m combined with additional fees and charges income of £0.1m.

(iv) NI Renewable Heat Incentive Scheme - £0.2m

Slippage in development of final detail of the Renewable Heat Incentive Scheme has led to grant payments being delayed.

(v) Notional Charges - £0.130m

Notional accommodation costs were lower due to a reduction in the overall charge per square metre, and a reduction in occupancy.

Detailed explanations of the variances are given in the Management Commentary.

3. Reconciliation of Outturn to net operating cost and against Administration Budget

3.1 Reconciliation of net resource outturn to net operating cost

		2011-12			Restated 2010-11
	Note	Outturn £000	Supply Estimate £000	Outturn compared with Estimate £000	Outturn £000
Net resource outturn	2	285,067	287,361	2,294	250,458
Non supply income (CFERs)	5	(2,485)	(2,500)	(15)	(3,177)
Transfer of function	1.12	-	-	-	(2,193)
Non Supply Expenditure	11	(821)	-	821	-
Net operating cost		**281,761**	**284,861**	**3,100**	**245,088**

3.2 Outturn against final Administration Budget

	Note		2011-12	Restated 2010-11
		Budget £000	Outturn £000	Outturn £000
Gross Administration Budget	2	17,848	17,097	11,088
Income allowable against the Administration Budget		-	-	-
Net outturn against final Administration Budget		**17,848**	**17,097**	**11,088**

4. Reconciliation of net resource outturn to net cash requirement

	Note	Estimate £000	Outturn £000	Net total outturn compared with estimate: saving/ (excess) £000
Resource Outturn	2	287,361	285,067	2,294
Capital :				
Acquisition of non-current assets	13, 14,	122	117	5
Financial Asset Investment	15	200,000	200,000	-
Non-operating Accruing Resources :				
Loan repayment	15	(8,750)	(8,750)	-
Accruals adjustments :				
Non-cash items	9, 10,	(25,277)	(24,874)	(403)
Changes in working capital other than cash		10,300	3,573	6,727
Use of Provisions	21	5,805	5,635	170
Net cash requirement		**469,561**	**460,768**	**8,793**

5. Analysis of income payable to the Consolidated Fund

In addition to Accruing Resources, the following income related to the Department and is payable to the Consolidated Fund. *(cash receipts being shown in italics)*

	Note	2011-12 forecast		2011-12 outturn	
		Income £000	*Receipts £000*	Income £000	*Receipts £000*
Operating income and receipts - excess Accruing Resources			*-*		*-*
Other operating income and receipts not classified as Accruing Resource	6	2,500	*4,567*	2,485	*4,224*
Subtotal		**2,500**	***4,567***	**2,485**	***4,224***
Non-operating income and receipts - excess Accruing Resources	7		*-*		*10*
Other non-operating income and receipts not classified as Accruing Resources	7		*-*		*-*
Other amounts collectable on behalf of the Consolidated Fund			*-*		*-*
Excess cash surrendable to the Consolidated Fund			*-*		*-*
Total income payable to the Consolidated Fund		**2,500**	***4,567***	**2,485**	***4,234***

6. Reconciliation of income recorded within the Operating Cost Statement to operating income payable to the Consolidated Fund

	Note	2011-12 £000	2010-11 £000
Operating income	12	12,238	10,352
Gross income		12,238	10,352
Income authorised as Accruing Resources	2	(9,753)	(7,175)
Operating income payable to the Consolidated Fund	5	**2,485**	**3,177**

7. Non-operating income – Excess Accruing Resources

	2011-12 £000	2010-11 £000
Proceeds on disposal of fixed assets	-	10
Non-operating income - excess accruing resources	**-**	**10**

8. Statement of Operating Costs by Operating Segment

The following operating segments have been identified under IFRS 8 Operating Segments as this reflects the structure reviewed by the entity's chief operating decision maker on a regular basis to inform resource allocation and review performance. The activities undertaken by each of the operating segments has also been summarised below:

1. **Economic Development, Policy & Research** - economic development, innovation and R&D policy, policy evaluation and research.
2. **Health & Safety Executive (NI)** - HSENI aims to promote key workplace health and safety messages and themes, communicate information and advice, conduct inspection and investigation activities and ensure regulatory framework is maintained.
3. **Economic Infrastructure/Minerals** - economic infrastructure in support of economic development including energy and minerals, sustainable energy; renewable heat incentive scheme; telecommunications.
4. **Business Regulator Services** - business regulation; including company law, Insolvency Service, trading standards and consumer affairs services, Registry of Credit Unions and Industrial and Provident Societies, the provision of a debt advice service; social economy.
5. **Consumer Council** - to make representation of consumers views to the policy makers in Northern Ireland through running information and education campaigns, influencing the public and private sectors, undertaking research and producing publications.
6. **Invest Northern Ireland** - supporting business development, helping to increase export levels, attracting high quality inward investment, and stimulating a culture of entrepreneurship and innovation.
7. **Development of Tourism** - driving the development of Northern Ireland tourism.
8. **ERDF & EU Peace Programme** - payments under European Union Structural Funds Programmes.
9. **Tourism Ireland Ltd** - Tourism Ireland's role is to grow overseas tourism revenue and visitor numbers to Northern Ireland and Ireland, and to help Northern Ireland to realise its tourism potential.
10. **Intertrade Ireland** - to support SMEs across Northern Ireland and Ireland and to develop North/South trade and business development opportunities for the mutual benefit of both economies.

8.1 Reconciliation between Operating Segments and Note 2

					Resource
Operating Segment	**Gross Expenditure £000**	**Accruing Resources £000**	**Net Resource Outturn as per Note 2* £000**	**Estimate £000**	**2010-11 £000**
Economic Development, Policy & Research	16,406	(103)	16,303	**16,935**	18,211
Health and Safety Executive NI	6,243	-	6,243	**6,441**	6,146
Economic Infrastructure/Minerals	1,260	(1,329)	(69)	**906**	10,899
Business Regulator Services	57,373	(4,242)	53,131	**53,522**	5,828
Consumer Council NI	1,481	-	1,481	**1,481**	1,401
Invest NI	154,118	-	154,118	**154,118**	147,734
Development of Tourism	30,222	-	30,222	**30,241**	39,914
ERDF & EU Peace Programme	4,548	(4,079)	469	**475**	533
Tourism Ireland Ltd	20,186	-	20,186	**20,257**	16,231
Intertrade Ireland	2,983	-	2,983	**2,985**	3,561
Total	**294,820**	**(9,753)**	**285,067**	**287,361**	**250,458**

* *reconciles to Net Total Outturn in Note 2 combining DEL, AME and Non Budget within relevant operating segment headings.*

8.2 Reconciliation between Operating Segments and SoCNE

						Restated
Operating Segment	**Net Resource Outturn £000**	**Non Supply Income (CFERs) £000**	**Non Supply Expenditure £000**	**Net (gain)/ loss on revaluation £000**	**Net expenditure per SoCNE £000**	**2010-11 £000**
Economic Development, Policy & Research	16,303	(6)	(821)	**(8)**	15,468	16,012
Health and Safety Executive NI	6,243	(180)	-	**-**	6,063	6,069
Economic Infrastructure/Minerals	(69)	(11)	-	**(284)**	(364)	10,830
Business Regulator Services	53,131	(187)	-	**234**	53,178	5,604
Consumer Council NI	1,481	-	-	**-**	1,481	1,401
Invest NI	154,118	(2,085)	-	**-**	152,033	144,933
Development of Tourism	30,222	(1)	-	**14**	30,235	39,914
ERDF & EU Peace Programme	469	(15)	-	**-**	454	533
Tourism Ireland Ltd	20,186	-	-	**-**	20,186	16,231
Intertrade Ireland	2,983	-	-	**-**	2,983	3,561
Total	**285,067**	**(2,485)**	**(821)**	**(44)**	**281,717**	**245,088**

Note: The 2010-11 figures have been restated to exclude expenditure of £2,193,689 relating to the transfer of Statistics branch staff and functions to the Northern Ireland Statistics and Research Agency (NISRA), an agency within the Department of Finance and Personnel. The impact of this transfer has been disclosed in Note 31.

9a. Staff numbers and related costs

Staff Costs

Staff costs consist of:	Total £000	Permanently employed staff* £000	Others £000	Minister** £000	Restated 2010-11 Total £000
				2011-12	
Wages and salaries	16,324	16,287	-	37	16,153
Social security costs	1,251	1,247	-	4	1,196
Other pension costs	3,150	3,141	-	9	3,116
Agency staff	19	-	19	-	14
Movement in employee benefits accrual	83	83	-	-	142
sub total	**20,827**	**20,758**	**19**	**50**	**20,621**
Staff Seconded from NISRA	76	76	-	-	-
Total gross costs	**20,903**	**20,834**	**19**	**50**	**20,621**
Less recoveries in respect of outward secondments	(104)	(104)	-	-	(228)
Total net costs	**20,799**	**20,730**	**19**	**50**	**20,393**
Analysed as:					
Administration	11,276	11,226	-	50	11,318
Programme	9,627	9,608	19	-	9,303
Income	(104)	(104)	-	-	(228)
	20,799	**20,730**	**19**	**50**	**20,393**

* *Permanently employed staff includes the cost of the Department's Special Advisor. The Special Advisor was paid in the pay band (£57,300-£90,000).*

** *Notional (non-cash) charge for Minister's salary in 2010-11 was £51,440.*

The Principal Civil Service Pension Scheme Northern Ireland (PCSPS (NI)) is an unfunded multi-employer defined benefit scheme, but the Department for Enterprise, Trade and Investment is unable to identify its share of the underlying assets and liabilities. The most up to date actuarial valuation was carried out as at 31 March 2007, and details of the valuation are available in the PCSPS (NI) resource accounts.

For 2011-12, employers' contributions of £3.1m were payable to the PCSPS (NI) (2010-11:£3.2m) at one of four rates in the range of 18% to 25% (2010-11: 18% to 25%) of pensionable pay, based on salary bands. The scheme's Actuary reviews employer contributions every four years following a full scheme valuation. From 2012-13, the rates will remain in the range 18% to 25%. The contribution rates are set to meet the costs of the benefits accruing during 2011-12 to be paid when the member retires, and not the benefits paid during this period to existing pensioners.

Employees can opt to open a partnership pension account, a stakeholder pension with an employer contribution. Employers' contributions of £nil (2010-11: £nil) were paid to one or more of the panel of three appointed stakeholder pension providers. Employer contributions are age-related and range from 3% to 12.5% of pensionable pay. Employers also match employee contributions up to 3% of pensionable pay. In addition, employer contributions of £nil (2010-11 £nil), 0.8% of pensionable pay, were payable to the PSCPS (NI) to cover the cost of the future provision of lump sum benefits on death in service and ill health retirement of these employees.

Contributions due to the partnership pension providers at the balance sheet date were £nil.

Contributions prepaid at that date were £nil.

2 persons (2010-11: 6 persons) retired early on ill-health grounds. The total additional accrued pension liabilities in the year amounted to £1,945 (2010-11: £10,731).

9b. Staff numbers and related costs

Staff Numbers

Average number of full-time equivalents people employed during the year was as follows:

			2011-12	Restated 2010-11
	Total	Permanent staff	Minister	Total
Core Department	422	421	1	425
HSENI	119	119	-	121
Staff Seconded from NISRA	2	2	-	0
Less staff on secondments	(5)	(5)	-	(6)
Total	**538**	**537**	**1**	**540**

9.1 Reporting of compensation and exit packages for all staff 2011-12

Comparative shown (in brackets) for previous year

1	Exit package cost band	Number of compulsory redundancies	Number of other departures agreed	Total number of exit packages by cost band
2	**<£10,000**	0 (0)	1 (0)	1 (0)
3	**£10,000 - £25,000**	0 (0)	0 (0)	0 (0)
4	**£25,000 - £50,000**	0 (0)	0 (0)	0 (0)
5	**£50,000 - £100,000**	0 (0)	0 (0)	0 (0)
6	**£100,000- £150,000**	0 (0)	0 (0)	0 (0)
7	**£150,000- £200,000**	0 (0)	0 (0)	0 (0)
8	**Total number of exit packages**	0 (0)	1 (0)	1 (0)
9	**Total resource cost /£**	0 (0)	£8,176 (0)	£8,176 (0)

Redundancy and other departure costs have been paid in accordance with the provisions of the Civil Service Compensation Scheme (Northern Ireland), a statutory scheme made under the Superannuation (Northern Ireland) Order 1972. Exit costs are accounted for in full in the year of departure. Where the department has agreed early retirements, the additional costs are met by the department and not by the Civil Service pension scheme. Ill-health retirement costs are met by the pension scheme and are not included in the table.

10. Other Administration Costs

		2011-12 £000		Restated 2010-11 £000
General administration expenditure		1,976		1,996
Non-cash items:				
Depreciation	1		0	
Auditors' remuneration and expenses	54		60	
Notional accommodation costs	2,031		2,450	
Other notional costs	1,759	3,845	1,772	4,282
Total		**5,821**		**6,278**

11. Programme Costs

		2011-12 £000		Restated 2010-11 £000
Grants		236,689		215,586
EU Grants		4,078		5,091
Other programme costs		6,350		6,643
Non-cash items				
Depreciation and amortisation	520		461	
(Profit) / Loss on disposal of PP&E	2		9	
Net revaluations of PP&E	-		2	
Investment revaluation	25,000			
Additions to provisions	69		131	
Provisions written back	(6,119)		(729)	
Borrowing Costs (unwinding of discount) on provisions	1,461		1,651	
Foreign exchange (gain)/loss - realised	40		70	
Foreign exchange (gain)/loss - unrealised	(821)		(614)	
Bad debts	6	20,158	240	1,221
Total		**267,275**		**228,541**

12. Income

	2011-12 Total £000	2010-11 Total £000
EU Income	4,078	5,091
Invest NI income	2,085	2,801
Fees and charges to external bodies	2,352	2,164
Interest from fixed rate loans	2,270	-
Project funding	1,277	(113)
Other	174	407
Rents	2	2
Total Income	**12,238**	**10,352**

13. Property, plant and equipment

	Land £000	Buildings £000	Plant, Machinery & Office Equipment £000	Information Technology £000	Furniture & Fittings, £000	Motor Vehicle £000	Total £000
Cost or valuation							
At 1 April 2011	976	1,266	434	267	17	229	3,189
Additions	-	-	10	-	-	55	65
Reclassifications	-	-	(58)	-	-	58	-
Transfers	-	-	1	(9)	8	-	-
Disposals	-	(16)	(18)	(56)	-	-	(90)
Revaluations to reserves	(119)	(125)	7	(7)	-	1	(243)
At 31 March 2012	**857**	**1,125**	**376**	**195**	**25**	**343**	**2,921**
Depreciation							
At 1 April 2011	-	2	267	212	17	118	616
Charged in year	-	45	30	26	-	31	132
Reclassifications	-	-	(30)	-	-	30	-
Transfers	-	-	3	(9)	6	-	-
Disposals	-	(15)	(18)	(55)	-	-	(88)
Revaluations to reserves	-	6	4	(5)	-	1	6
At 31 March 2012	**-**	**38**	**256**	**169**	**23**	**180**	**666**
Carrying amount							
At 1 April 2011	**976**	**1,264**	**167**	**55**	**-**	**111**	**2,573**
At 31 March 2012	**857**	**1,087**	**120**	**26**	**2**	**163**	**2,255**

Land and buildings have been professionally revalued by Land and Property Services, on the basis of existing use as at the following dates:

Land – Ulster American Folk Park, Omagh	31 March 2010
Buildings – Consumer Affairs Building, Newtownbreda, Belfast	31 March 2011

In intervening years, Land and Buildings were revalued using indices provided by Land and Property Services.

Other PP&E were revalued at 31 March 2012 using the latest available indices published in "Price Index Numbers for Current Cost Accounting" prepared by the Office for National Statistics.

Included in the above are fully depreciated assets with an original cost of £370,630 which are still in use.

13.1 Property, plant and equipment (comparative)

	Land £000	Buildings £000	Plant, Machinery & Office Equipment £000	Information Technology £000	Furniture & Fittings, £000	Motor Vehicle £000	Total £000
Cost or valuation							
At 1 April 2010	1,075	1,404	427	264	20	214	3,404
Additions	-	-	6	-	-	37	43
Disposals	-	-	(13)	(4)	(3)	(22)	(42)
Revaluation to OCS	-	(3)	-	-	-	-	(3)
Revaluations to reserves	(99)	(135)	14	7	-	-	(213)
At 31 March 2011	**976**	**1,266**	**434**	**267**	**17**	**229**	**3,189**
Depreciation							
At 1 April 2010	-	330	239	186	20	104	879
Charged in year	-	40	32	26	-	31	129
Disposals	-	-	(9)	(4)	(3)	(17)	(33)
Revaluation to OCS	-	(1)	-	-	-	-	(1)
Revaluations to reserves	-	(367)	5	4	-	-	(358)
At 31 March 2011	**-**	**2**	**267**	**212**	**17**	**118**	**616**
Carrying amount							
At 1 April 2010	**1,075**	**1,074**	**188**	**78**	**-**	**110**	**2,525**
At 31 March 2011	**976**	**1,264**	**167**	**55**	**-**	**111**	**2,573**

13.2 Property, plant and equipment (comparative)

	Land £000	Buildings £000	Plant, Machinery & Office Equipment £000	Information Technology £000	Furniture & Fittings, £000	Motor Vehicle £000	Total £000
Cost or valuation							
At 1 April 2009	1,198	1,510	420	249	20	324	3,721
Additions	-	-	-	10	-	-	10
Disposals	-	-	-	(11)	-	(114)	(125)
Revaluations	(123)	(106)	7	16	-	4	(202)
At 31 March 2010	**1,075**	**1,404**	**427**	**264**	**20**	**214**	**3,404**
Depreciation							
At 1 April 2009	-	312	204	163	20	175	874
Charged in year	-	43	32	28	-	32	135
Disposals	-	-	-	(11)	-	(105)	(116)
Revaluation	-	(25)	3	6	-	2	(14)
At 31 March 2010	**-**	**330**	**239**	**186**	**20**	**104**	**879**
Net book value							
At 1 April 2009	**1,198**	**1,198**	**216**	**86**	**-**	**149**	**2,847**
At 31 March 2010	**1,075**	**1,074**	**188**	**78**	**-**	**110**	**2,525**

14. Intangible assets

	Software £000	Databases £000	Total £000
Cost or valuation			
At 1 April 2011	769	6,962	7,731
Additions	52	-	52
Revaluations	38	335	373
At 31 March 2012	**859**	**7,297**	**8,156**
Amortisation			
At 1 April 2011	493	835	1,328
Charged in year	153	236	389
Revaluations	29	51	80
At 31 March 2012	**675**	**1,122**	**1,797**
Carrying amount			
At 1 April 2011	**276**	**6,127**	**6,403**
At 31 March 2012	**184**	**6,175**	**6,359**

All intangible assets have been separately acquired.

Intangible assets were revalued at 31 March 2012 based on the Retail Price Index provided by the Office for National Statistics.

14.1 Intangible assets (comparative) restated

	Software £000	Databases £000	Total £000
Cost or valuation			
At 1 April 2010	631	6,455	7,086
Additions	108	227	335
Revaluations	30	280	310
At 31 March 2011	**769**	**6,962**	**7,731**
Amortisation			
At 1 April 2010	360	582	942
Charged in year	113	219	332
Revaluations	20	34	54
At 31 March 2011	**493**	**835**	**1,328**
Carrying amount			
At 1 April 2010	**271**	**5,873**	**6,144**
At 31 March 2011	**276**	**6,127**	**6,403**

14.2 Intangible assets (comparative)

	Software £000	Databases £000	Total £000
Cost or valuation			
At 1 April 2009	588	5,773	6,361
Additions	20	452	472
Disposals	-		-
Revaluations	23	230	253
At 31 March 2010	**631**	**6,455**	**7,086**
Amortisation			
At 1 April 2009	246	366	612
Charged in year	101	195	296
Revaluation	13	21	34
At 31 March 2010	**360**	**582**	**942**
Net book value			
At 1 April 2009	**342**	**5,407**	**5,749**
At 31 March 2010	**271**	**5,873**	**6,144**

15. Financial Instruments

As the cash requirements of the department are met through the Estimates process, financial instruments play a more limited role in creating and managing risk than would apply to a non-public sector body of a similar size. The majority of financial instruments relate to contracts for non-financial items in line with the Department's expected purchase and usage requirements and the Department is therefore exposed to little credit, liquidity or market risk. The Department does not face any significant medium to long-term financial risks.

15.1 Financial Asset Investments

	Loan to Presbyterian Mutual Society Limited * £000	Share Capital H&W plc £000	Total £000
Gross amount:			
Balance at 1 April 2011	-	4,600	4,600
Additions	200,000	-	200,000
Interest charged	2,269	-	2,269
Loan Repayment - Principal	(8,750)	-	(8,750)
Loan Repayment - Interest	(1,211)	-	(1,211)
At 31 March 2012	**192,308**	**4,600**	**196,908**
Provision:			
Opening provision at 1 April 2011	-	(4,600)	(4,600)
Charged in year	(25,000)	-	(25,000)
At 31 March 2012	**(25,000)**	**(4,600)**	**(29,600)**
Net balance at 31 March 2012	**167,308**	**-**	**167,308**

* *On 1 August 2011, a 10 year fixed rate loan of £175m at a rate of 2.02% and an interest free loan of £25m were issued to the Presbyterian Mutual Society Limited (in Administration).*

The interest free loan of £25m has been provided against based on advice regarding current property market values. This loan may be recoverable, in full or in part, depending on property market valuations in future years.

As per IAS 39, the £175m loan has been recorded at amortised cost at an effective interest rate of 1.918%.

Further information on these transactions is available in the management commentary.

15.2 Financial Asset Investments (comparative)

	Share Capital H&W plc £000	Total £000
Gross amount:		
Balance at 1 April 2010	4,600	4,600
Additions	-	-
Disposals	-	-
At 31 March 2011	**4,600**	**4,600**
Provision:		
Opening provision at 1 April 2010	(4,600)	(4,600)
Charged in year	-	-
At 31 March 2011	**(4,600)**	**(4,600)**
Net balance at 31 March 2011	**-**	**-**

15.3 Financial Asset Investments (comparative)

	Share Capital H&W plc £000	Total £000
Balance at 1 April 2009	4,600	4,600
Additions	-	-
Disposals	-	-
At 31 March 2010	**4,600**	**4,600**
Provision:		
Opening provision at 1 April 2009	(4,600)	(4,600)
Charged in year	-	-
At 31 March 2010	**(4,600)**	**(4,600)**
Net balance at 31 March 2010	**-**	**-**

16. Investment in associates

	Viridian Growth Fund £000
Gross amount:	
Balance at 1 April 2011	3,340
Additions	-
Disposals	-
At 31 March 2012	**3,340**
Provision:	
Opening provision at 1 April 2011	(3,340)
Charged in year	-
Reversal	-
At 31 March 2012	**(3,340)**
Net balance:	
At 31 March 2011	-
At 31 March 2012	**-**

16.1 Investment in associates

	Viridian Growth Fund £000
Gross amount:	
Balance at 1 April 2010	3,340
Additions	-
Disposals	-
At 31 March 2011	**3,340**
Provision:	
Opening provision at 1 April 2010	(3,340)
Charged in year	-
Reversal	-
At 31 March 2011	**(3,340)**
Net balance:	
At 31 March 2010	-
At 31 March 2011	**-**

16.2 Investment in associates

	Viridian Growth Fund £000
Balance at 1 April 2009	3,340
Additions	-
Impairment	-
Disposals	-
At 31 March 2010	**3,340**
Provision:	
Opening provision at 1 April 2009	(3,340)
Charged in year	-
At 31 March 2010	**(3,340)**
Net balance at 31 March 2010	-

17. Trade receivables and other current assets

	2011-12 £000	2010-11 £000	2009-10 £000
Amounts falling due within one year:			
Trade receivables	411	82	427
Deposits and advances	1	7	13
VAT	166	212	241
Other receivables	17	540	953
Prepayments and accrued income	1,177	484	9,323
Amounts due from the Consolidated Fund in respect of supply	1,486	-	115
Amounts due from EU	12,370	14,492	21,104
	15,628	15,817	32,176
CFER amounts due from EU	1,376	2,943	17,566
Other CFER due	2,424	2,595	2,448
	3,800	5,538	20,014
Total at 31 March 2012	**19,428**	**21,355**	**52,190**

Included within trade receivables is £11,228 (2010-11: £21,827, 2009-10: £12,060) that will be due to the Consolidated Fund once the debts are collected.

Amounts due from the EU includes £1.8m in relation to an Interreg III funded project which has not been deemed eligible from an EU perspective. Recovery of the debt is being progressed through clawback of grant funding.

17.1 Intra-Government balances

	2011-12 £000	2010-11 £000	2009-10 £000
Balances with other central government bodies	4,441	3,362	2,878
Balances with local government	36	-	-
Balances with bodies external to government	14,951	17,993	49,312
Total at 31 March 2012	**19,428**	**21,355**	**52,190**

18. Cash and cash equivalents

	Note	2011-12 £000	2010-11 £000	2009-10 £000
Balance at 1 April		102	112	438
Net change in cash and cash equivalent balances	19	284	(10)	(326)
At 31 March 2012		**386**	**102**	**112**
The following balances at 31 March were held at: Commercial banks and cash in hand		386	102	112
At 31 March 2012		**386**	**102**	**112**
The balance comprises				
Cash		386	188	260
Overdraft	20	-	(86)	(148)
		386	**102**	**112**

19. Reconciliation of Net Cash Requirement to increase / (decrease) in cash

	Note	2011-12 £000	2010-11 £000
Net cash requirement	4	(460,768)	(242,190)
From the Consolidated Fund - current year		459,226	242,246
From the Consolidated Fund - prior year		-	115
Amounts due to the consolidated Fund received and not paid over - current year	20	1,562	46
Amounts due to the consolidated Fund received and not paid over - prior year	20	(46)	(227)
Cash held on deposit	18	310	-
Increase / (decrease) in cash		**284**	**(10)**

20. Trade payables and other current liabilities

	Note	2011-12 £000	Restated 2010-11 £000	2009-10 £000
Amounts falling due within one year:				
Trade payables		9	49	556
Other payables		433	186	265
Accruals and deferred income		7,028	10,476	17,854
EU Programmes advances		23,273	24,676	22,516
Amounts issued from the Consolidated Fund for supply but not spent at year end		-	56	-
		30,743	**35,443**	**41,191**
Consolidated fund extra receipts due to be paid to the Consolidated Fund				
Received	**19**	1,562	46	227
Receivable - EU		1,375	2,943	17,566
Receivable - Other		2,435	2,617	2,460
		5,372	5,606	20,253
Total Payables before bank overdraft		**36,115**	**41,049**	**61,444**
Bank overdraft	**18**	-	86	148
Total at 31 March 2012		**36,115**	**41,135**	**61,592**

20.1 Intra-Government balances

	2011-12 £000	2010-11 £000	2009-10 £000
Balances with other central government bodies	6,139	5,983	20,402
Balances with local government	13	-	-
Balances with bodies external to government	29,963	35,152	41,190
Total at 31 March 2012	**36,115**	**41,135**	**61,592**

21. Provisions for liabilities and charges

	H&W £000	Mines £000	Equal Pay £000	Early departure costs £000	Other £000	Total £000
Balance at 1 April 2011	85,732	6,521	63	150	75	92,541
Provided in the year	-	-	-	69	-	69
Provisions not required written back	-	(5,999)	(45)	-	(75)	(6,119)
Provisions utilised in the year	(5,000)	(522)	(18)	(95)	-	(5,635)
Unwinding of discount	1,460	-	-	1	-	1,461
Balance at 31 March 2012	**82,192**	**-**	**-**	**125**	**-**	**82,317**

Analysis of expected timing of discounted flows

	H&W £000	Mines £000	Equal Pay £000	Early departure costs £000	Other £000	Total £000
Not later than one year	8,000	-	-	60	-	8,060
Later than one year and not later than five years	35,053	-	-	65	-	35,118
Later than five years	39,139	-	-	-	-	39,139
At 31 March 2012	**82,192**	**-**	**-**	**125**	**-**	**82,317**

21.1 Provisions for liabilities and charges (comparative)

	H&W £000	Mines £000	Equal Pay £000	LEDU pensions £000	Early departure costs £000	Other £000	Total £000
Balance at 1 April 2010	88,347	7,497	2,610	300	328	64	99,146
Provided in the year	-	-	-	-	56	75	131
Provisions not required written back	-	(294)	-	(300)	(71)	(64)	(729)
Provisions utilised in the year	(4,185)	(758)	(2,547)	-	(168)	-	(7,658)
Borrowing Costs	1,570	76	-	-	5	-	1,651
At 31 March 2011	**85,732**	**6,521**	**63**	**-**	**150**	**75**	**92,541**

21.2 Provisions for liabilities and charges (comparative)

	H&W £000	Mines £000	Equal Pay £000	LEDU pensions £000	Early departure costs £000	Other £000	Total £000
Balance at 1 April 2009	90,164	7,857	-	600	94	419	99,134
Provided in the year	-	-	2,610	-	430	-	3,040
Provisions not required written back	-	-	-	(300)	-	(193)	(493)
Provisions utilised in the year	(3,500)	(434)	-	-	(196)	(162)	(4,292)
Unwinding of discount	1,683	74	-	-	-	-	1,757
Balance at 31 March 2010	**88,347**	**7,497**	**2,610**	**300**	**328**	**64**	**99,146**

21.3 Harland and Wolff plc

The provision in respect of Harland and Wolff plc activities is based on assumptions as to future liabilities and revenues. The outcome of these matters cannot be certain. The provision reflects the approximate amount that the Department may be required to contribute to enable Harland and Wolff plc to fulfil its obligations as they fall due.

The provision reflects the Department's potential liability to meet claims against Harland and Wolff Plc in respect of employer's and public liability arising from the collapse of the group's insurer, Chester Street Insurance Holdings Ltd, which went into liquidation on 10 January 2001. This provision is based on actuarial advice and includes known claims, largely in relation to asbestosis related illnesses of former employees of Harland and Wolff plc, together with estimated amounts in relation to unreported claims which may be expected to crystallise over a significant number of years. The amount, £82.2m (2010-11 £85.7m, 2009-10 £88.3m), represents the total estimated liability discounted back to today's prices. The accuracy of the provision is subject to a considerable number of uncertainties including future mortality rates, emergence of new diseases, improvements in medical treatments, and the outcome of future legal cases.

The overall undiscounted liability in relation to the employer's and public liability claims referred to above, based on actuarial advice, amounts to £92.7m (2010-11 £97.6m, 2009-10 £101.7m). A revised actuarial report was issued in 2007-08; this included revised projected cash flows as at 31 March 2008.

21.4 Mines

Provision was made for the anticipated costs of ensuring that inactive mines in Northern Ireland are secure. This provision is no longer required and has been written down accordingly.

21.5 Equal Pay

This provision represents the balance of the Department's share of the settlement payment to be made to staff at AA, AO, EOII and analogous grades in the NICS as the result of an agreement with NIPSA in respect of Equal Pay. This provision is no longer required and has been written down accordingly.

21.6 LEDU pensions

This provision related to the potential shortfall in the former LEDU employees pension scheme, as a result of the transfer of LEDU employees to Invest NI on 1 April 2002. Only comparative figures are included.

21.7 Early departure costs

The Department meets the additional cost of benefits beyond the normal Principal Civil Service Pension Scheme (Northern Ireland) in respect of employees who retire early by paying the required amounts annually to the Principal Civil Service Pension Scheme (Northern Ireland) over the year between early departure and normal retirement date. The Department provides for this in full when the early retirement programme becomes binding by establishing a provision for the estimated payments discounted by the Treasury discount rate of 2.2% in real terms.

21.8 Other

This provision includes an estimate of the amount the Department may be required to pay in respect of a range of claims against it. This provision is no longer required and has been written down accordingly.

22. Capital and other commitments

22.1 Capital commitments

Contracted capital commitments at 31 March not otherwise included in these financial statements.

	2011-12 £000	2010-11 £000
	-	-
Total	**-**	**-**

22.2 Other financial comitments

The department has entered into non-cancellable contracts (which are not leases or PFI contracts or other service concession arrangements). Fulfilling the terms of letters-of-offer are included in this definition. The payments to which the department is committed are as follows:

	2011-12 £000	2010-11 £000
Not later than one year	1,770	5,070
Later than one year and not later than five years	1,031	3,396
Later than five years	-	-
Total	**2,801**	**8,466**

23. Financial Guarantees, Indemnities and Letter of Comfort

The Department has given a guarantee to meet claims in respect of employer's and public liability arising from the collapse of the Harland and Wolff insurer. This has been fully provided for under IAS 37 and detailed in Note 21.

The Department has not entered into any other Financial Guarantees, Indemnities or Letters of Comfort.

24. Contingent liabilities disclosed under IAS 37

The Department does not have any contingent liabilities at the balance sheet date.

25. Losses and special payments

Losses Statement

Claims Abandoned	2011-12 £000	2010-11 £000
Claims Abandoned [(962 cases (2010-11 - 1,165)]	705	876
Total	**705**	**876**

26. Related-party transactions

The Department of Enterprise, Trade and Investment sponsors the Non-Departmental Public Bodies (NDPBs) and North South Bodies listed in Note 1.2.

These bodies are regarded as related parties with which the Department of Enterprise, Trade and Investment has had various material transactions during the year.

In addition, the Department of Enterprise, Trade and Investment has had a number of transactions with other Government Departments and other Central Government bodies. Most of these have been with the Department of Finance and Personnel.

The Department, its NDPBs and North South Bodies have undertaken a number of transactions with Members of the Departmental Board and Departmental Audit Committee or companies / bodies in which they have an interest. Those transactions during the reporting year were as follows:

Dr. Ian McMorris

i. Chairman of Dale Farm Ltd, which received £308,371 in grant payments from Invest NI. Dale Farm Ltd also paid Invest NI £9,061 for services.

ii. Board member of United Dairy Farmers Ltd, which received £342,971 in grant payments from Invest NI.

iii. Consultant for Clarehill Plastics Ltd, which received £122,684 in grant payments from Invest NI.

Donal Flanaghan

i. Non Executive Director of South Eastern Trust which paid HSENI £100 for attendance at event.

ii. Non Executive Director of PSNI Audit Committee which received £17 from HSENI for services provided.

Bill McGinnis

i. Council member of NI Chamber of Commerce and Industry, which had transactions totalling £2,386 with NITB,£360 with Intertrade Ireland and received payment of £1,465 from Invest NI.

ii. Board member of Tourism Ireland Ltd for which an annual fee of £5,272 was paid. Also received £20,667 from Invest NI.

iii. Chairman and Director of Focus Management Consultants, which paid Invest NI £150 for services.

iv. Ambassador of the Princes Trust, which received £34,200 in grant payments from Invest NI.

v. Chairman and Director of the McAvoy Group which receievd £99,047 in grant payments from Invest NI and paid Invest NI £1,320 for services.

David Beck

i. Chairman of Network NI (Fees paid by Eircom NI). Eircom received £18,443 from Invest NI.

Harland and Wolff plc

i. A company wholly owned by the Department received £5m to enable it to meet its liabilities. The directors of Harland and Wolff plc are appointed ex-officio. During 2011/12 the directors were Trevor Cooper (DETI employee and Senior Manager) and Terry Coyne (DETI employee). Noel Lavery (OFMDFM employee and Senior Manager) stepped down as Director during 2011/12 and was replaced by Iain McFarlane (DETI employee) who was officially appointed on 13th June 2011.

27. Third-party assets

Under Article 358 (1) of the Insolvency (Northern Ireland) Order 1989 trustees in bankruptcy and liquidators of companies must pay the money received in respect of Company Liquidations, Bankruptcies and Estates of Deceased Insolvents, including Arrangements under the control of the Court up to 30 September 1991, into the Insolvency Account pending authorised appropriation.

	31 March 2011 £000	Gross inflows £000	Gross outflows £000	31 March 2012 £000
Insolvency Account	11,384	9,326	8,095	12,615

These are not Departmental assets and are not included in the accounts. The assets held at the reporting period date comprised monetary assets, such as bank balances and monies on deposit.

Further information is contained in the published Insolvency Account.

28. Entities within the departmental boundary

The core Department is the only entity within the boundary during 2011-12.

29. Harland & Wolff Plc

Harland and Wolff Plc is wholly owned by the Department.

The Department holds all 10,996,082 shares of H&Wplc which were purchased at a cost of £4.6m.

Details of the group's trading are contained in its accounts, which are prepared under UK GAAP.

Key figures extracted from these accounts are:

Profit and loss account for the year ended 31 March 2012

	2011-12 £000	2010-11 £000
Turnover	**-**	**-**
Administration expenses	(1)	(1)
Operating loss	**(1)**	**(1)**
Interest receivable and similar income	1	1
Profit on ordinary activities before taxation	**-**	**-**
Tax on ordinary activities	-	-
Profit for the financial year	**-**	**-**

Balance sheet as at 31 March 2012

	2011-12 £000	2010-11 £000
Current assets		
Debtors	79,840	83,461
Cash at bank and in hand	2,262	1,087
	82,102	**84,548**
Creditors: amounts falling due within one year	(21)	(50)
Net current assets	**82,081**	**84,498**
Total assets less current liabilities	82,081	84,498
Provisions for liabilities	(82,081)	(84,498)
Net assets	-	-
Capital and reserves		
Called up share capital	**10,996**	**10,996**
Profit and loss account	**(10,996)**	**(10,996)**
Total shareholders' funds	-	-

30. Business activities attracting fees and charges

This note is provided for fees and charging purposes and not for IFRS 8 purposes.

			2011-12 £000	2010-11 £000
	Income	Full cost	(Surplus) / deficit	Total
Insolvency Service	(1,847)	3,387	1,540	1,211
	(1,847)	3,387	1,540	1,211

The above figures represent services where the full cost of the service is in excess of £1m.

The financial objective for the Insolvency Service is to recover the cost of those activities for which core funding was not provided. This objective was met.

31. Transfer of Function

From 1 April 2011, all Statistics Branch staff and functions transferred to the Northern Ireland Statistics and Research Agency (NISRA); an agency within the Department of Finance and Personnel. This is a Machinery of Government change, and as such the comparatives figures in the accounts have been restated to exclude Statistics Branch transactions. The effects of this adjustment on the comparative figures of the accounting schedules are detailed below.

	Statement of	Assembly Supply	Comprehensive Net Expenditure - Net Operating Cost	Comprehensive Net Expenditure - Total Comprehensive Expenditure	Cash Flows	Financial Position	Changes in Taxpayers' Equity	Changes in Taxpayers' Equity
		2010-11	2010-11	2010-11	2010-11	2010-11	31-Mar-11	01-Apr-10
	£000	250,458	247,281	246,880	102	(103,153)	(105,291)	(101,406)
Salaries	(1,714)							
Benefits	(2)							
Admin	(4)							
Programme	(473)							
Expenditure	**(2,193)**		**(2,193)**	**(2,193)**	**2,193**		**2,193**	
Assets	(28)				28	(28)		
Accruals	24				(24)	24		
Total	**(2,197)**				(2,197)		(2,197)	
	Restated	**250,458**	**245,088**	**244,687**	**102**	**(103,157)**	**(105,295)**	**(101,406)**

32. Date authorised for issue

The Accounting Officer authorised these financial statements for issue on 29 June 2012.

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