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# Joint Ministerial Foreword

We are pleased to introduce InterTradelreland's Annual Report for 2007; an important year which saw the restoration of the Northern Ireland Assembly and Executive and the first meeting of the North South Ministerial Council since 2002.

InterTradelreland has a central role to play in helping businesses in Northern Ireland and Ireland to maximise their potential by developing practical programmes and networks, as well as undertaking vital research, publishing guidelines and offering advice. Competitiveness and innovation are now the springboard for enterprise development in the modern knowledge economy and major programmes like Acumen, FUSION, Innova, MicroTrade and Seedcorn are designed to assist companies to respond to these challenges.

In 2007, InterTradelreland programmes were responsible for generating a total trade and business development value of £53.4m/€78.49m. InterTradelreland assisted almost 2,000 companies from throughout Northern Ireland and Ireland, with some 500 firms undertaking the Body's longer term programmes.

It is encouraging to note that cross-border trade increased to £2.1bn/€3.1bn, underlining the importance of economic co-operation. We are convinced that mutual benefits will continue to accrue to the economy of both jurisdictions by pursuing pragmatic co-operation in areas such as trade and business development, science technology and innovation, essential skills development and critical infrastructure investment.

We would like to extend our appreciation and thanks to the former Chairman, Dr Martin Naughton and the former Board members, who stepped down on the 12 December 2007, for their valuable contribution to InterTradelreland.

We welcome the appointment of Dr David Dobbin and the new Board members. We will continue to support InterTradelreland in delivering on its mandate to enhance trade and business development for the benefit of both our economies. We also thank the Chief Executive, Liam Nellis, his senior management team and staff for their continued good work and commitment.



A handwritten signature in black ink that reads "Mary Coughlan".

**Mary Coughlan TD**  
**AN TÁNAISTE AND MINISTER FOR**  
**ENTERPRISE TRADE AND EMPLOYMENT**



A handwritten signature in black ink that reads "Arlene Foster".

**Arlene Foster MLA**  
**MINISTER FOR ENTERPRISE TRADE**  
**AND INVESTMENT**

# Chairman's Introduction

The last year has seen a rapidly changing business environment for companies doing business on the island of Ireland.

The restoration of devolved powers to the Northern Ireland Assembly boosted business confidence as local politicians took the lead by putting the economy at the top of their agenda. However during the year, the global economic environment deteriorated with rapidly escalating energy and commodity prices fuelling input cost inflation and higher interest rates. This put pressure on home owners and businesses ultimately sowing the seeds for a correction in property prices, the credit crunch and global economic slowdown.

Against this difficult economic backdrop, *InterTradelreland's* role has been to stimulate cross-border trade, to support collaboration on innovation, to create business opportunities through fostering business networks and to identify policy initiatives that can improve the competitiveness and prospects of businesses North and South.

*InterTradelreland* itself has also undergone change with the appointment of a new Board at the end of 2007. I am delighted to have been asked to Chair the new board and would like to take this opportunity to extend my thanks to the outgoing Board members for their invaluable contribution to the development of *InterTradelreland*. Their efforts have been vital in shaping this organisation which is playing an increasingly important role in helping deliver economic growth, through increased trade and business cooperation, between both parts of the island.

I would also wish to pay tribute to my predecessor and our founding chairman Dr Martin Naughton who stood down from office after eight year's of sterling service to the organisation. An entrepreneur operating in the international arena, he nevertheless found the time to become involved closer to home in a project about which he cares passionately. Dr Naughton successfully steered *InterTradelreland* through its pioneering early days to establish an effective and successful organisation, earning the admiration and respect of all who worked with him.

*InterTradelreland* by the very nature of its remit has to work with a number of Government Departments and sister economic agencies in both jurisdictions. We would wish to recognise the contributions made in 2007 by the Ministers responsible for *InterTradelreland* and their departments: Minister for Enterprise, Trade & Investment Nigel Dodds OBE MP MLA, and Minister for Enterprise, Trade & Employment Micheál Martin TD. We look forward to working closely with their successors, Arlene Foster MLA and An Tánaiste Mary Coughlan TD.

Looking forward, the economic environment has further deteriorated. The imperative for both jurisdictions is to stimulate their economies and to help businesses survive and grow. With public expenditure coming under severe pressure the challenge to InterTradeIreland is to deliver maximum “bang for buck” in terms of real business outcomes and to avoid unnecessary duplication with other economic development agencies.



A handwritten signature in black ink that reads "David Dobbin". The signature is written in a cursive, flowing style.

Dr David Dobbin CBE  
CHAIRMAN

# Chief Executive's Message

The bottom line, quite rightly, for any business person seeking help from *InterTradelreland* is: 'What can you do for me?'

The answer is that we can provide practical advice and support to help businesses to target new North/South business opportunities. We also promote the sharing of expertise in order to develop new products and processes thereby helping businesses become more profitable and competitive.

In 2007, *InterTradelreland* programmes were responsible for generating a total trade and business development value of £53.4m/€78.49m representing a return on investment of 7.1:1.

It was encouraging to note that *InterTradelreland* engaged with more than 1800 companies from across the island with 493 firms undertaking our longer term programmes.

*InterTradelreland* is helping more small businesses than ever before - a total of 88 companies were assisted through the *Acumen* programme alone. This hugely successful sales, marketing and consultancy support programme generated a total trade value of £8.41 m/€12.36m.

*FUSION*, our technology transfer programme, contributed £26.83m/€39.44m to the business development value with a total of 86 firms active in the programme in 2007.

*EquityNetwork* which provides advice and support to early stage, potential high growth, companies looking to raise equity funding, contributed £15.5m/€22.78m to total business development value, assisting 192 SMEs through the Private Equity Conference and 128 through the Seedcorn Business Competition.

*Innova* which stimulates R&D co-operation between companies in Northern Ireland and Ireland, has seen all eight projects operational by the first quarter of 2007, and approved funding for a further 17 partnerships, including two flagship projects.

In the past four years, we have supported the creation of a number of new North/South business networks, helping companies to become more profitable and competitive through joint marketing, skill-sharing, product or process development, meeting supply needs, and taking advantage of co-production opportunities.

The Business Networks Forum, Private Equity Conference and FUSION graduation and networking events were attended, respectively, by the island's enterprise development agencies, leading equity advisors and venture capitalists, along with some of our very best young talent.

As a result of the report 'Spatial Strategies on the Island of Ireland', a study commenced into specific collaborations which could make the Newry-Dundalk Twin City Region concept a reality. Consultations were undertaken with 95 stakeholders to investigate possible projects, including a geo tourism area, sustainable energy production and the establishment of an international services zone.

A Simple Guide to Cross-Border Trade, published in conjunction with MicroTrade, our networking and support organisation for micro enterprises, offered a comprehensive range of advice for small businesses ready to make the leap into new markets.

All these achievements have been made possible thanks to the support of both Administrations, our sister development agencies, the confidence of the business community, and the professionalism and dedication of InterTradelreland's Board, senior management team and staff.

As we go forward, I rely on their energy and enthusiasm to help InterTradelreland to continue to be innovative in the way we help businesses to avail of new North/South business opportunities.



A handwritten signature in black ink, appearing to read 'Liam Nellis', written in a cursive style.

**Liam Nellis**  
**CHIEF EXECUTIVE OFFICER**

# Strategic Performance Summary

## Summary Performance Report - Corporate Plan 2005-2007

This annual report sees the completion of InterTradelreland's Corporate Plan for 2005 - 2007. Over this period, North/South Trade has grown by 19.2% with over 41% of businesses on the island availing of new cross-border opportunities.

### InterTradelreland's key achievements for 2005-2007 are:

- 33 New North/South Business Networks have been created.
- More than 6,500 companies have engaged with InterTradelreland, and have been provided with information, advice and services.
- More than 1,000 companies, drawn from every county and city on the island of Ireland, have participated directly on InterTradelreland programmes.
- Companies participating in these programmes have to date reported increased business value in excess of £100m/€147m, with additional value attributed to their participation still being captured and reported.
- More than 2,000 new business linkages have been created.
- 150 companies report their first time formal innovation activity with a 3

level research institute. 100% of these companies confirm that they will continue with formal innovation activity.

- 209 companies report their first time participation in export/cross border markets. 150 of these companies confirm that they will continue with export/cross-border activity.
- 230 companies report the development of new products, services or processes.
- 379 companies report new market opportunities exploited.
- In addition to the direct benefits from their specific projects, companies have reported improvements in their managerial capability, in areas such as strategic planning, innovation, marketing and sales.
- 133 graduates participating in the FUSION technology transfer programme and the FOCUS sales and marketing programme have obtained post-graduate management qualifications.
- 15 high-end collaborative R&D partnerships have been established between major firms through the Innova programme.

In a rapidly changing environment, effective policy research ensures that co-operation continues to be built upon sound economic principles. InterTradelreland has published more than 15 business and economic research publications that highlight and identify economic opportunities to be exploited through North/South co-operation.

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## Summary Performance Report - 2007 Business Plan

In 2007 InterTradelreland generated a total trade and business development value of £53.4m/€78.49m against a Business Plan target for the year of £25m/€36.75m.

InterTradelreland also provided information and assistance to a total of 1,834 companies against a target of 1,800 in 2007.

In addition to these 1,834 companies, InterTradelreland has seen 493 companies, against a target of 375, join our portfolio of programmes in the areas of Science, Technology and Innovation, Sales and Marketing, Enterprise Capability Development and Business Networks.

### Key Performance highlights for 2007 are:

- 45 companies completed their FUSION All Island Technology Transfer projects and a further 25 joined the programme. In 2007, companies which completed their FUSION projects have reported £26.83m/€39.44m in business value.
- Companies which received assistance to undertake ACUMEN All Island Sales & Marketing projects have reported additional sales of £8.41 m/€1 2.36m and the creation of 135 new jobs.
- The 27 companies which were finalists of the EquityNetwork Seedcorn Competition raised a total of £12.76m/€18.76m of equity funding.

- The 'Main Event' and the 'Business to Business Link-ups' initiatives within the MicroTrade Programme, which supports micro-enterprises across the island, have returned a trade value of £600k/€882k.
- The total sales achieved by companies on the FOCUS All-Island Sales Programme was £1.19m/€1.75m.
- Companies which have participated in the Network & Getwork Buyer-Supplier Programme have reported additional sales of £834k/€1.23m.
- The Mobile Software Network, a partnership of firms developing specialist software for the mobile telecommunications market which was supported by InterTradelreland through its links with the All-Island Software Network, completed its first international contract, worth £545K/€801K in South-East Asia.

### Return on Investment.

InterTradelreland's Return on Investment ratio for 2007 is 7.1:1, based on total trade and business development value generated of £53.4m/€78.49m, from programme expenditure of £7.48m/€10.98m.

### Efficiency Ratio of Operating Costs to Programme Costs.

Within our Corporate Plan 2005-2007, we committed to improving our efficiency ratio of operating costs to programme costs to 1:2.5 by 2007. Our efficiency ratio has risen from 1:2.3 in 2005 to 1:2.63 in 2007.

# Board Members 2007

(in position up to 12/12/2007)

InterTradelreland has an Executive Board consisting of 11 members who are appointed by the North/South Ministerial Council.



## **Martin Naughton**

**CHAIRMAN INTERTRADEIRELAND**

Dr Martin Naughton is the founder, Chairman and owner of Glen Dimplex Group, which has four manufacturing companies in Ireland, North and South. The Group also manufactures in the UK, Netherlands, Germany, France, Hungary, Norway, Canada, New Zealand and has a joint venture in China.

Dr. Naughton is an engineer who was educated in Dundalk, Co. Louth and Southampton, England. He was granted Honorary Doctorates by University College, Dublin, Trinity College, Dublin, Queen's University, Belfast, University of Ulster and Notre Dame, USA. He is also trustee of Notre Dame College. He was a member of the Council of State in Ireland.

He served on the Industrial Development Board for Northern Ireland between January 1996 and January 2000. He has been Chairman of the InterTradelreland Board since its inception in December 1999.



## **Barry Fitzsimons**

**VICE CHAIRMAN INTERTRADEIRELAND,  
CHAIRMAN, EQUITYNETWORK**

Barry Fitzsimons is Senior Resident Director of Cunningham Coates Stockbrokers and has been associated with Cunningham Coates Stockbrokers all his working life, becoming a member of the Stock Exchange in 1978 and a partner in Josias Cunningham & Co shortly after. He is a Fellow of the Securities Institute (FSI) and having bought some more land, farms beef and sheep at his home in Co. Down. Barry is Chairman of Lagan Valley Ulster Unionist Party Constituency Association and also sits on the Party Executive.



## **Feargal McCormack**

Feargal McCormack is Managing Partner of FPM Accountants LLP, located in Newry, Dundalk and Dungannon, which recently won the Accountancy Age UK Small Firm of the Year Award. FPM became the first professional services firm to win the NI SME Business of the Year Award in 2004.

Feargal is a former Chairman of the Ulster Society of Chartered Accountants and is a Council member of the Institute of Chartered Accountants in Ireland. He is also Chairman of the International Centre of Local and Regional Development.

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### **Jackie Harrison**

Jackie Harrison is currently Chief Executive of Philanthropy Ireland. She previously held positions as Director of Projects for the IBEC-CBI Joint Council, Director of Social Policy and Director of Enterprise in the Irish Business and Employers Confederation. Jackie is also a former Director of the Ireland France Chamber of Commerce and was nominated as Chevalier in the Ordre National de Mérite in October 2001.

She was a member of the National Competitiveness Council from 1998 to 2003, and is currently a Board member of the Digital Hub, Young Social Innovators and a member of the Steering Committee of the North/South Round Table Group.



### **Carl McCann**

Carl McCann is Chairman of Total Produce plc, the €2bn publicly-quoted European fresh produce company and Blackrock International Land plc, the publicly-quoted property company. He was previously Chairman of Fyffes plc (having joined the company in 1980) which demerged its business into three separate public companies in 2006.

He has a business degree from Trinity College, Dublin, and qualified as a chartered accountant with KPMG. He is also director of a number of other companies.



### **Inez McCormack**

Dr Inez McCormack is currently senior advisor to the Global Coalition for Women's Rights/Workers Rights - an international coalition of women labour and human rights leaders connects and supports campaigns on women's rights and workers' rights. Other commitments include chairing the highly commended North/South Participation and Rights Project, a social justice programme focused on enabling disadvantaged communities and groups to access resources and services on both parts of the island of Ireland. She also co-chairs the North/South Health Services Partnership. These were among a number of projects she initiated when she was President of the Irish Congress of Trade Unions, the first woman to hold this post. She has received a number of national and international awards for her 'services to human rights and the community'. These include an honorary doctorate from Queen's University, Belfast and the Eleanor Roosevelt Award from the City of New York.



### **Mary Ainscough**

Mary Ainscough is an Executive with the Bank of Ireland Group. She is a graduate of Trinity College, Dublin, with a degree in English and Philosophy and a Masters in Management Science. She studied law at the Incorporated Law Society of Ireland where she qualified as a solicitor. She began her career with the IDA in New York, marketing Ireland as a location for inward investment in the IT sector. On her return to Ireland she practised law, specialising in aspects of labour and employment law. She has worked at the School of Business Studies, Trinity College and with the Irish Management Institute, as a Lecturer in Organisational Psychology. She also held the position of Director of Equality at Dublin City University. Mary is a former CEO of the American Chamber of Commerce in Ireland.



### **Robbie Smyth**

Robbie Smyth is deputy head of the Journalism and Media Communications faculty at Griffith College, Dublin. Robbie is also a Sinn Fein policy advisor and journalist at An Phoblacht. He was Sinn Fein General Secretary from March 2003 to March 2005.



### **Jack Gilmour**

Jack Gilmour started his working life in a family controlled commercial printing company. When he was in his early twenties in 1970, this was sold and he moved into another family business of public houses. At the end of the 1970's, he was in charge of the day-to-day operation of three businesses. Through a further acquisition, he greatly enlarged the group turnover and increased the employees to 110. He then sold his interest in these public houses and retired for a couple of years. In 1992 he purchased his present establishment, situated at Upper Malone on the southern outskirts of Belfast, where he currently employs twenty-five staff. He has been married for thirty years, has a daughter working in New York and a son, who is an architect, currently in London.



### **John Fitzgerald**

John Fitzgerald was appointed Dublin City Manager in 1996 and stepped down from that position in June 2006. In June last, he was appointed Chairman of the newly formed Grangegorman Development Agency which was established by Government to provide a

campus for the Dublin Institute of Technology and its 20,000 students together with Health Services Agency requirements and other facilities at a location close to the city centre. John is currently involved, as board member and otherwise, with a number of other public and private sector bodies. He has recently been appointed by the Irish Government to chair the two new regeneration agencies in Limerick City.



### **Rosaleen Doherty**

Rosaleen Doherty is a recently returned emigrant from the USA where she spent 11 years working in the food industry, she held a variety of senior positions within research & development prior to moving into business development in 2004. She is a graduate of University College, Galway, with a degree in Chemistry and Biochemistry and University College, Dublin with a Masters in Food Science. On her return to Ireland, Rosaleen divides her time between her consulting business specialising in business development for a US ingredient company within the European market and running a family owned pub and restaurant in North Donegal.

## **New Board Appointees**

In December 2007, the North/South Ministerial Council (NSMC) appointed nine new board members, their predecessors having completed their full terms.

## **Board members to 12th December 2007**

Chairman: Dr Martin Naughton;  
Vice Chairman: Mr Barry Fitzsimons;  
Mr John Fitzgerald;  
Mr Jack Gilmour; Ms Rosaleen Doherty;  
Mr Feargal Mc Cormack; Ms Jackie Harrison;  
Mr Carl McCann; Dr Inez McCormack;  
Ms Mary Ainscough and Mr Robbie Smyth

## **Board members from 13th December 2007**

Chairman: Dr David Dobbin CBE;  
Vice Chairman: Mr John Fitzgerald (formerly  
board member); Mr Jack Gilmour;  
Ms Rosaleen Doherty; Mr Brendan Butler;  
Dr William Gerard O'Hare; Mr Hugh Logue;  
Mr Ray Doherty; Ms Patricia McKeown;  
Mr Pádraig MacLochlainn; Mr Tom Scott and  
Mr Sean Gallagher

The incoming Board and Staff of  
InterTradeIreland wish to extend their  
gratitude to the board members standing  
down for their wonderful contribution over  
the years.

## **Board members (in position from 13th December 2007)**



**Dr David Dobbin CBE  
CHAIRMAN**

Dr David Dobbin CBE has extensive international business experience in the food and drink and packaging sectors and is currently Group Chief Executive of United Dairy Farmers, a leading UK dairy processor cooperative based in Northern Ireland. He is actively involved in promoting regional economic development and is Chairman of the Prince's Trust in Northern Ireland and serves on a number of public and private bodies including the Strategic Investment Board of Northern Ireland, the BT Ireland Advisory board and the Food From Britain Council; he is a past Chairman of CBI Northern Ireland. A First Class Honours Graduate in Mechanical Engineering from Queen's University, Belfast, Dr Dobbin has completed post-graduate business courses at the London and Harvard Business Schools. In addition to receiving the CBE in the 2005 Birthday Honours for his service to the agrifood and packaging industries, Dr Dobbin was awarded an honorary Chinese citizenship in 1998 by the city of Kunshan in recognition of his service to economic development in China and an honorary doctorate from Queen's University, Belfast in 2005 for his services to the economy.



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**VICE CHAIRMAN**

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### **Brendan Butler**

Brendan Butler joined the Irish Business and Employers Confederation (IBEC) in 1988 having previously worked in the public sector for 15 years. Brendan worked in a number of different roles in IBEC including as Director of the Small Firms Association (SFA) also as IBEC's Director of Social Policy and Director of Enterprise. In 2006 Brendan became IBEC's Director of Strategy, Trade, EU and International Affairs responsible for Trade, All-Island, EU and International Policy.

Brendan has been involved in the negotiations for the last six national partnership programmes first introduced in Ireland in 1987. Brendan is a member of the National Economic and Social Council (NESC) and the National Competitiveness Council (NCC). Brendan holds a BComm from University College, Dublin and MSc.(Economics) from Trinity College, Dublin.



### **William Gerard O'Hare**

Dr Gerard O'Hare is one of Northern Ireland's most successful property and business entrepreneurs with a portfolio of developments across Ireland, the UK, Central Europe and the USA.

As founder and CEO of Parker Green, Dr O'Hare has grown an international portfolio of properties and investments fast approaching \$1 billion which includes The Quays Shopping & Leisure Centre in Newry and The Fairgreen Shopping Centre in Carlow.

As an ambassador for Northern Ireland respected for good business practice, sound vision and a proven ability, Dr O'Hare has been the catalyst in bringing together many major developments and attracting outside investment into Northern Ireland from the early 1990's to present day, motivating and securing some of the early PFI schemes.

Hugely influential through his dedicated commitment to community support and academic excellence, Dr O'Hare's distinguished career has seen him appointed as Chairman of the Communities Support Group, President of the Newry Chamber of Commerce and Trade, Chairman of the University of Ulster Foundation as well as a visiting professor at the University of Ulster School of the Built Environment.



**Hugh Logue**

Hugh Logue is an economist and was a senior official of the European Commission from 1985 to 2005. Whilst there he initiated the STRIDE (Science and Technology for Regional Innovation and Development in Europe) programme. He was a member of the Delors Task Force which created the EU Peace and Reconciliation Programme. Prior to Brussels he was economist at the National Board for Science and Technology in Dublin. He is a director of two renewable energy companies. In 2006 he was appointed to board of the Irish Peace Institute, University of Limerick., From 1998-2002 he was seconded from Brussels as Special Adviser to the Office of the First and Deputy First Minister at Stormont. He was born in 1949 in Co Londonderry and was elected for that area to the N.I Assembly in 1973, 1975 and 1982.



**Ray Doherty**

Ray Doherty began his working career as a Marine Radio Engineer and then moved on to complete a Marketing Degree. He spent the next 12 years in marketing and sales in the fuel industry. He then established the franchise for a well known international restaurant chain in the Cork area where he operated 3 restaurants employing over 300 people and spending 23 years in that business from which he has recently retired.

His other activities include a Property Development Partnership, a Management Letting and Sales Company and extensive property interests in his own right. Ray has served on several Boards and for many years and was a representative for the Restaurateurs on the Joint Labour Council for the Catering Industry at the Department of Labour in Dublin. He has recently retired as a founding Board member of the National Treatment Purchase Fund. He has held the senior, high profile, position of Chairman of the commercial body representing Cork City Centre businesses.

Ray is a member of the Marketing Institute of Ireland, Irish Management Institute and is a Director of a number of Charities.



**Patricia Mc Keown**

Patricia McKeown is Northern Ireland Regional Secretary of the Public Service Union UNISON and President of the Irish Congress of Trade Unions (2007-2009). Patricia was a former Chair of both its Northern Ireland Committee (NIC) and northern Women's Committee. She is also a former Deputy Chairperson of the Equal Opportunities Commission (NI).

Patricia has been a union organiser in the public sector since 1980 during which time she has served as lead negotiator for UNISON, Chair of the Northern Ireland Committee of ICTU and current Congress President. She has represented her union on all key ICTU structures and currently represents Congress on the Economic Development Forum (EDF), the Central Joint Forum (RPA), the ministerial Taskforce on Regional Development and the Assembly Business Trust. Patricia is a lifelong campaigner for equality and human rights - with a primary focus on women's rights; the rights of citizens in areas and groups of greatest disadvantage; and workers rights against privatisation of public services.



**Pádraig Mac Lochlainn**

Pádraig Mac Lochlainn is a member of Donegal County Council and Bunclara Town Council. He served as Mayor of Bunclara from June 2005 - 2006.

Pádraig has been the Sinn Féin candidate for Donegal North East in Dáil elections on two occasions. In 2002, he received 10% (3,611 votes) and in the 2007 general election, he received 17.5% (6,733 votes), just missing out on a Dáil seat. He has served on the Sinn Féin Ard Comhairle (National Executive) and continues to represent the party at national and international level on a regular basis.

Pádraig acted as the Donegal spokesperson for the Irish National Organisation of the Unemployed (INOUE) from 1997 to 2001. He also served on the INOUE National Executive from 1997 until 2000, representing the organisation on the National Rural Development Forum.

At a local level, he was a community director on the Inishowen Partnership Board for 5 years from 1996 to 2001. His work as a community activist and political representative has led him to speak at conferences across Europe on the issues of unemployment, regional neglect and rural poverty.



**Tom Scott**

Tom Scott was, until 2005, a Northern Ireland senior civil servant latterly with Department for Employment and Learning with responsibility for skills, management development and youth training policy. In November 2005 he became Chair of the Greater Shankill Partnership Board in Belfast leading the Partnership on neighbourhood regeneration strategy.

Tom is a board member of Ormeau Enterprise Ltd, a local enterprise agency, and is involved with several private and public sector bodies. He is also involved in youth issues through Scouting, Belfast Activity Centre and the Gerry Rogan Initiative Trust.



**Sean Gallagher**

Sean Gallagher is co-founder and Managing Director of Dundalk based company Smarthomes. Set up in 2002, the company employs 65 staff and specialises in the manufacture and installation of technology solutions for the residential construction sector. Smarthomes recently won the contract to install their systems in Adamstown, the new

town in South County Dublin, which when complete, will consist of more than 10,000 new homes. In 2004, the company won the Intertrade-Ireland Seedcorn competition and in 2006, Sean was a finalist in the Ernst & Young Entrepreneur of the Year programme. Sean has a diverse background in the areas of Enterprise Development, Politics and Education. He holds a Masters Degree in Business (MBA) from Dundalk Institute of Technology and the University of Ulster at Jordanstown. He was formerly Deputy CEO of the Louth County Enterprise Board where he focused on supporting start up enterprises in the border area. Prior to that, and at the age of 28, he was appointed political advisor to Government Minister Dr Rory O'Hanlon TD. Earlier in his career, having qualified as one of the Ireland's first professional Youth and Community Development workers, from NUI Maynooth, he was the author of the Government's first National Alcohol Education Programme for the Departments of Health, Education and the Irish Youth Service.

Sean is a keen fitness enthusiast and holds first degree black belts in both Judo and Karate.

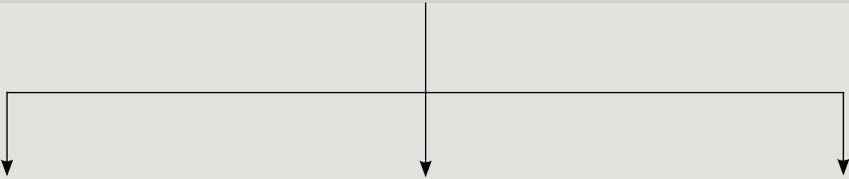
# Organisation and Staffing Profile

## Chief Executive and Directors



**Liam Nellis**  
CHIEF EXECUTIVE OFFICER

Liam has a Law Degree from the University of London and an MSc from the University of Ulster. He joined the Northern Ireland Civil Service in 1973 and has been involved in many economic development issues including labour market, tourism and small business policy. In 1990 he was seconded to establish and head up NI-CO, the public sector marketing company. In 1997 he joined IDB where he was Executive Director responsible for Inward Investment until he accepted a further secondment to set up and head the Trade and Business Development Body. He was confirmed as CEO of InterTradelreland in November 2000.



**Aidan Gough**  
STRATEGY  
& POLICY  
DIRECTOR

Aidan is a graduate of Queen's University, Belfast with an MBA and MSc in Economics. Prior to joining InterTradelreland, Aidan was Director of the Northern Ireland Economic Council



**Laurence Lord**  
CORPORATE  
SERVICES  
DIRECTOR

A Chartered Management Accountant and MBA, Laurence comes from a background in organisational development and financial management. He has worked extensively on institutional strengthening projects in Australia and Africa as well as within the Irish Commercial sector.



**Catriona Regan**  
OPERATIONS  
DIRECTOR

Catriona is a graduate of Queen's University, Belfast and was previously head of the Civic Forum Secretariat.

## Directorates

### **Operations Directorate**

The Operations Directorate is responsible for the delivery of a range of business programmes in the areas of Science, Technology and Innovation, Sales and Marketing and Business Capability Improvement.

The Science, Technology and Innovation programmes help create partnerships between businesses, who are working to create new products and processes, and the third-level institutions and other commercial partners which have the knowledge and expertise required for success.

The Sales and Marketing Programmes assist companies that want to increase their profitability through exploitation of the all-island market and through collaborative ventures into international markets. This includes direct financial support, access to customised buyer-supplier events and developing an awareness of public procurement opportunities North and South.

The Directorate also establishes and develops business networks to help companies pool their knowledge and resources, share costs and risks and achieve competitive advantage faster, cheaper and with less disruption to their operations. Additionally, it offers a range of services to help businesses to improve their capabilities through collaboration including reducing their distribution costs, improving their ability to tender successfully for public sector business on an all-island basis and to raise equity finance.

## **Strategy and Policy Directorate**

The Strategy and Policy Directorate is responsible for the definition of the organisation's strategic plans and its programme policies. The Directorate manages close working relationships with external business and policy organisations and with the other economic development agencies on the island. The team delivers expertise in the areas of Strategy and Policy Development; Economic Development Programmes, Science, Technology and Innovation; Business & Economic Research; Programme Appraisal and Evaluation and Business Planning & Performance Management.

## **Corporate Services Directorate**

The Corporate Services Directorate facilitates the delivery of InterTradelreland initiatives. It supports its sister directorates through the provision of appropriate resources, systems and expertise in specific areas such as Human Resources, Information Technology, Financial Management, Facilities Management and Communications.

# Staffing Profile

## January - December 2007

As at the 31st December 2007, InterTradelreland employed 42 permanent staff (FTE - Full Time Equivalent of 40.75) who were joined by one Secondee from Forfás.

InterTradelreland staff are highly qualified and experienced across a range of business related and other disciplines, including economics, project management, finance and the sciences. Several staff members have post graduate qualifications including up to Masters and PhD level and/or are professionally qualified members of chartered institutes such as CIMA, ICAI & CIPD.

While the organisation is structured along the lines of the three directorates outlined above, in practice many activities and projects are undertaken on a cross-directorate basis with a matrix approach being applied to the management of processes and projects.

During 2007, three posts were filled as a result of staff turnover. The posts were two Project Manager positions and one position of Operations Executive. The vacancies were advertised across the island of Ireland and attracted substantial interest with over 50 applications returned. Applicants were of a high calibre in terms of experience and skills.

Currently 5% of staff in InterTradelreland have declared themselves to have a disability under the definition of the Disability Discrimination Act 1995/Disability Act 2005. InterTradelreland will continue to make adjustments to both the workplace/and or working practices as appropriate. Having filled the above vacancies during 2007, the distribution of staff - by headcount - across the organisation was as follows:

GRADE	CEO'S OFFICE	OPERATIONS DIRECTORATE	STRATEGY & POLICY DIRECTORATE	CORPORATE SERVICES DIRECTORATE	GRADE
CEO	1				1
Director		1	1	1	3
Manager		4	7	4	15
Deputy/ Project Manager		7	1	1	9
Executive & Administrative Staff	1	7	2	5	15
TOTAL	2	19	11	11	43*

\*As several Staff Members avail of the Body's Family Friendly Policies and work reduced hours the Staffing Full Time Equivalent is 41.75 (40.75 permanent plus 1 secondee).



# STRATEGY AND KEY PERFORMANCE INDICATORS



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# Strategy and Key Performance Indicators

## InterTradelreland Strategy

InterTradelreland's Mission, expressed in the 2005-2007 Corporate Plan, is to enhance the competitiveness of the all-island economy to the mutual benefit of Ireland and Northern Ireland through measures such as the creation of knowledge-intensive all-island trade and business development networks and the implementation of all-island trade and business development programmes.

Our initiatives do not aim to subsidise, but to promote competition, eliminate barriers and to realise external effects of knowledge and technology through the development of all-island networks. These factors combine to affect the types of measures which can be employed to describe the impact of InterTradelreland's strategies and interventions because they do not all lend themselves easily to simple quantitative measurement.

### InterTradelreland Strategic Goal 2005-2007

InterTradelreland has one key strategic objective within the life of the 2005-2007 Corporate Plan:

#### **To increase the number, effectiveness and value of all-island trade and business development networks.**

In striving to achieve this strategic objective, InterTradelreland aims to enhance the trading, business development and ultimately the international competitiveness of businesses across the island of Ireland.

## Direct Impact Measures

InterTradelreland has defined three discrete Direct Impact Measures to ensure that the public resources which we utilise, deliver 'value for money' in ways which align with the organisation's legislative remit and strategic goal.

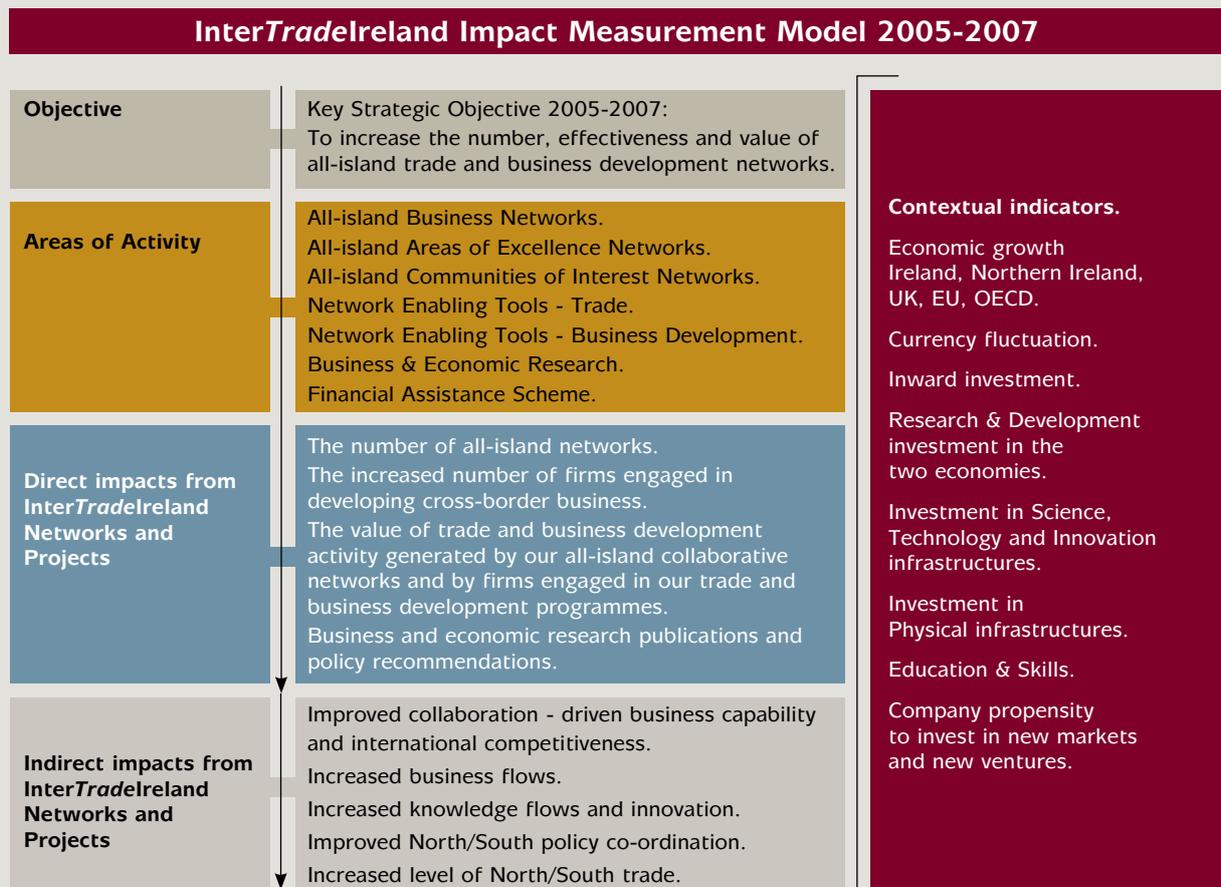
- TYPE 1:** The number of InterTradelreland's collaborative all-island networks together with the outputs of those networks.
- TYPE 2:** The increased number of firms engaged in developing cross-border business through our networks and our trade and business development programmes.
- TYPE 3:** The value of trade and business development activity generated by our all-island collaborative networks and by firms engaged in our trade and business development programmes.

Quantitative and qualitative performance data is gathered and collated on an on-going basis and is presented within the 2007 Business Plan Performance Report in the next section. This includes information on our business and economic research reports and associated policy recommendations, work within a number of North/South policy and operational Secretariats with which we are engaged, the outputs of North/South partnerships we are supporting, and new online all-island services which we have created and are delivering.

## Indirect Impact Measures

Indirect Impacts Measures reflect the medium to longer-term impact of InterTradelreland's programmes and initiatives. Significant indirect impacts are improved business capability and competitiveness, increased business and knowledge flows and innovation, improved North/South policy co-ordination and an increased level of North/South trade. InterTradelreland is continuing to develop

those systems which produce data to provide for accurate, definitive measurement of trade and business development activity between the two jurisdictions. Contextual Indicators describe those factors which strongly influence Indirect Impact Measures and are outside the control of InterTradelreland. These factors include currency fluctuations and broader economic performance at regional, national and supra-national levels.





# SUMMARY OF BUSINESS PLAN AND PERFORMANCE REPORT



# Summary of Business Plan and Performance Report

## 2007 Targets

**Key Performance Indicator 1:** The value\* of trade and business development activity generated by our all-island collaborative networks and by firms engaged in our trade and business development programmes (2007 Target: £25m/€36.75m)

**Key Performance Indicator 2:** The increased number of firms engaged in developing cross-border business through our networks and our trade and business development programmes.

(2007 Targets: 1,800 firms utilising InterTradelreland information and knowledge services. 375 firms participating in InterTradelreland’s programmes.)

**Key Performance Indicator 3:** The number of InterTradelreland’s collaborative all-island networks and the outputs of those networks. (2007 Target: 25 all-island business networks.)

**Table 1 - 2007 Performance Against Target Summary**

Key Performance Indicator	2007 Target	2007 Performance
KPI 1	£25m/€36.75m	£53.4m/€78.49m
KPI 2A	1800	1834
KPI 2B	375	493
KPI 3	25	26

\* Business Value reported is an aggregation from our portfolio of projects and, dependant on specific project profiles, incorporates additional sales revenues, efficiency savings and capital investments that result directly from InterTradelreland support

# Programme Areas - Science, Technology & Innovation

## INNOVA

InterTradelreland's INNOVA programme is aimed at stimulating, promoting and supporting R&D co-operation between firms, North and South, with the support of public research organisations where required. By the end of March 2007 eight INNOVA collaborative projects were operational, representing partnerships across a range of health and technology areas, including cancer diagnostics, colon cancer treatment, microscopy instruments and hygiene management for health care institutions.

Three of the partnerships completed their projects in 2007:

- Randox/Biotrin acknowledged that the INNOVA funding enabled R&D Pancreatitis diagnostic activities to be undertaken which would not otherwise have been financially viable. Both companies have identified further opportunities for collaboration.
- FUSION Antibodies and Luxcel successfully completed their project, the objective of which was to characterise antibodies using flow cytometry and immunochemistry.
- The Dunbia/Alltech partnership involved the effect of selenium on red meat and both companies have found the collaborative partnership an accelerator for antioxidant/anti-cancer product development.

An extended INNOVA programme will be initiated early in 2008.

## FUSION

FUSION is InterTradelreland's all-island technology transfer initiative that gives companies, with technology-based needs, the opportunity to work within 3-way partnerships that include third-level research institutions with specialist expertise, and a high-calibre science and technology graduate. In 2007, FUSION provided assistance to 86 companies and overall the programme recorded a business development value to companies of £26.83m/€39.44m. Examples of the impact that FUSION has had on companies are:

- An IT company based in Londonderry has developed satellite technologies through the FUSION programme and has won a major contract for this technology worth £800,000, of which £400,000 is directly attributable to the programme.
- A Donegal based company specialising in the manufacture of a range of value added potato products joined the FUSION programme to improve the quality and shelf life of its products. As a result, they increased their turnover over a period of 3 years by almost €8m, of which €2.5m is directly attributable to the programme.
- A Westmeath food company developed 47 new products as a result of the FUSION programme. Sales from these products which can be directly attributed to the FUSION programme are €4.9m.
- A drinks company in Co Offaly needed to design, develop and manufacture new

innovative products for the drinks sector and decided to take part in the FUSION programme. It reported increased turnover of €1.06m, increased profit of €172k and investment into the business of €493k as a direct result of their FUSION project.

- A Tyrone based engineering company needed to develop its range of products for the treatment of water. As part of the programme it developed a new style of modular unit which was more compact and transportable, and it has reduced production time from 6-9 months down to 1-4 weeks. Turnover has increased by almost £2m and this increase has been attributed to the success of the FUSION project.
- A Co Londonderry based company which manufactures storage products needed to reduce manufacturing costs and shorten lead times to improve its overall competitiveness. As a result of the FUSION project, it was able to increase its turnover by £4m.

On 26 April 2007 the University of Ulster hosted a FUSION networking event at Dunboyne Castle Hotel, Co Meath to celebrate the University being involved in 62 FUSION projects. Professor Hannigan, Pro Vice Chancellor complimented the programme as being the best technology transfer scheme with which the university was engaged. Tim Brundle, Director of Innovation at the University, went on to state that "FUSION is probably the most efficient and effective mechanism for knowledge exchange in Europe."

The FUSION Graduation and Networking Event was held in the O'Reilly Hall, UCD on 12 September 2007 at which 37 FUSION participants graduated with a Postgraduate Diploma in Management from the Smurfit Business School.

It is anticipated that an extended implementation of the FUSION programme will be initiated in 2008.

## **US-Ireland R&D Partnership**

The United States of America, Ireland and Northern Ireland have come together for a unique initiative to increase the level of collaborative R&D amongst researchers and industry across the three jurisdictions that will generate innovations to the marketplace and lead to improvements in healthcare, disease prevention and other technologies.

The Ireland and Northern Ireland members of the Steering Group met with the US Ambassadors to the UK and Ireland, on 26 February 2007 in Queen's University, Belfast to provide an update on the work of the US-Ireland R&D Partnership. The fourth meeting of the US-Ireland R&D.

Partnership Steering Group was held in Washington D.C. on 18 April 2007. At this meeting the procedures by which the funding agencies from each jurisdiction would process applications from tri-jurisdictional teams, were discussed.

A Memorandum of Understanding (MOU) was agreed between National Science Foundation, Science Foundation Ireland, Invest NI and the

Department of Employment and Learning. This MOU outlines the terms under which the agencies will conduct joint funding of research in the areas of nanotechnology and sensors. Subsequent to the signing, a Call for Proposals was announced and this resulted in two project proposals in the areas of diabetes and cystic fibrosis. *InterTradelreland* provides the secretariat for this international partnership.

### **Women in Technology & Science (WITS)**

*InterTradelreland* agreed support for the all-island *Wiser Workforces* initiative which is a pilot educational and mentoring project to identify, retrain and support scientific and technically qualified women to return to the workforce following career breaks. The project will be officially launched in 2008.

### **EU Framework Programme 7 Pilot All-Island Initiative**

The EU's Seventh Framework Programme (FP7) bundles all research-related EU initiatives together under a common roof playing a crucial role in reaching the goals of growth, competitiveness and employment through the creation of European scientific excellence.

The Steering Group for the EU Framework Programme 7 Pilot Initiative comprising representatives from Enterprise Ireland, Invest Northern Ireland and *InterTradelreland*, identified that the greatest potential exists within sectors such as ICT, Nanotech and Biotech, where complementary expertise exists North and South. It was further agreed

that the most appropriate intervention would be support towards the project management costs of proposal preparation and consortium building. Supported projects will have meaningful participation from the island of Ireland and will include industry participation.

### **Universities Ireland**

*InterTradelreland* provides financial support to Universities Ireland, which is an 'umbrella' body promoting co-operation and collaboration between the 9 universities in Northern Ireland and Ireland. In March 2007, Universities Ireland launched its North-South Masters Bursary Programme, offering bursaries to 8 students undertaking a recognised Masters course (taught or research) in the other jurisdiction.

# Programme Areas - Sales & Marketing

## Acumen

Acumen is a cross-border business development programme designed by InterTradeIreland to stimulate cross-border trade within the small and medium enterprises community in Ireland and Northern Ireland. The programme assists individual SMEs by providing tailored consultancy and salary support mechanisms for market builders in cross-border markets. In 2007 Acumen provided support to 88 companies; examples of the impact that participation on the programme has had on companies are:

- Kettle Irish Foods, Enniskillen - meat sales to the food sector achieved sales of £140,000 and created 4 jobs.
- TES NI Electronic, Cookstown - sales achieved £167,000.
- TE Laboratories, Tullow - specialist chemicals to research users - sales achieved €26,000 and 1 job created.
- Rota Industries, Kanturk, Cork - sales to local authorities - sales achieved €157,000 and 1 job created.
- Lmentech, Warrenpoint - specific service to health and hospital sector - sales achieved £135,000 and 1 job created.

## MicroTrade

MicroTrade is a joint initiative between InterTradeIreland, County & City Enterprise Boards and Enterprise Northern Ireland. The programme helps small businesses build contacts, markets and partnerships across the island of Ireland. In 2007 MicroTrade worked with FPM Chartered Accountants, Morgan McManus Solicitors, and National Irish Bank to provide an on-line practical guide to developing cross-border business. The 'Simple Guide to Cross Border Business' is available at [www.intertradeireland.com](http://www.intertradeireland.com) and [www.microtrade.org](http://www.microtrade.org)

MicroTrade held a sectoral event 'Overcoming the Competitiveness Challenge' for the Engineering sector in Monaghan on 24/25 September 2007. The event focused on building expertise within the Engineering sector and included presentations from Institute of Technology Tallaght, Dublin, University of Ulster, and The Centre for Competitiveness. The 21 participants were also given the opportunity to have pre-arranged meetings with the expert speakers, and with other micro-enterprises in relation to possible sales and collaborative opportunities.

MicroTrade's 'Big Event' brought together more than 50 small businesses in the construction sector, from across the island of Ireland, and 12 buyers from large private and public sector organisations including architects and building contractors. Buyers at the event included DCI Energy, Homeseal, Sisk Ireland and RPS Ireland. At an Inter-Regional Event held in December 2007, 14 companies from the Waterford and Wexford areas travelled to Belfast to meet with 50 companies from the Greater Belfast area.

## FOCUS

FOCUS is an all-island strategic marketing and sales initiative and in 2007 enabled 18 companies to achieve additional sales of £1.19m/€1.75m. The programme achieved significant progress on strategic alliances, new product developments, strategy changes, research and emergence of additional market entry options. Examples of these are:

- Kelly Brothers and Andrew Mannion Structural Engineers opened offices in the markets served by the FOCUS graduates that is, Dublin and Belfast.
- Office Interior Solutions, Belfast secured sales of €708,361/£481,685 with the US based multinational, National Instruments, Dublin.
- Shalvey Poultry, Cootehill secured sales of €172,668/£117,428. This FOCUS project commenced in October 2006, and has established new business with Crossgar Foodservice, Mace and Spar in Northern Ireland, Flynns Fine Foods based in Roslea, Co Fermanagh and Hungry House, Craigavon, Co Armagh.

- Advanz Hydrotherapy, Dublin, achieved sales of €218,667/£148,694 and has been able to investigate and launch a more 'value driven' product within the Northern Ireland hydrotherapy market.

## Network and Getwork

The InterTradelreland Network and Getwork programme is a trade development initiative, promoted by the Chambers of Commerce, to encourage and assist companies across the island to explore cross-border business opportunities with some of the island's largest procurement organisations. On 30 January 2007 an event to address East-West business relationships was held in partnership with Glasgow Chamber of Commerce in Glasgow. Buyers on the day included the Scottish Procurement Directorate, the Strathclyde Transport Partnership and Glasgow City Council. A total of 30 companies from Northern Ireland and Ireland attended the event.

The second Network & Getwork event of the year took place with Belfast City Council on 31 January 2007 in City Hall, Belfast. Belfast City Council was the host buyer and the event was attended by 55 companies. A further event, the Network & Getwork Suppliers to the Food Industry, took place in Belfast on 27 March 2007 and was attended by 15 companies.

Companies who have participated in the Network & Getwork buyer-supplier programme have reported additional sales in 2007 of £834k/€1.226m.

# Programme Areas - Enterprise Capability Development

## **EquityNetwork**

On 13 March 2007 InterTradeIreland held its 6th annual private equity conference in Dublin. The conference theme was 'The Shape of Future Equity Investment' and focused on the trends of innovation, globalisation and convergence. Keynote speakers included Sir Allen McClay, Chairman and founder of Almac, Professor Donald Fitzmaurice, Director ePlanet Ventures and John Cavill, Chairman Intermezzo Ventures. The conference attracted over 200 delegates.

The 2007 Seedcorn Competition culminated with the finals event on 29 November 2007 in Dublin. In preparation for the final a total of 122 business plans which had been submitted were assessed and the 8 regional winners attended an investment pitch masterclass to help them prepare for the overall final. At the final awards ceremony, Movidia, a Dublin based company specialising in developing new silicon chip technology for mobile devices, was announced as the overall winner and received the €100,000 prize. Open Plain, another Dublin company, was announced as the winner of the Emerging Company Category and received a prize of €50,000.

At the end of 2007 the Halo Ireland Business Angel Network had completed 10 deals and recorded €1m in new equity raised. By the 31 December 2007, 146 angels, 131 companies and 20 advisors had registered with the network. The Halo Northern Ireland Business Angels Network recorded two deals with an investment value of £350,000. Equity Network education and awareness activities in 2007 saw the delivery of 6 Masterclasses, 1

Round Table event and 6 information seminars delivered in venues which included Belfast, Cork, Dublin, Galway, Limerick and Tralee.

## **Entrepreneurship Master Classes**

In September 2007 an All-Island Entrepreneur Master Class was held to focus on the Life & Health Sciences Sector. The Master Class was hosted by Cormac Kilty of BioTrin and Will McKee of Will McKee Consulting. One of the hosts of the first ICT Master Class, which took place on 3 May 2007, is in the process of investing in one of the participant companies, a very early stage business based in Northern Ireland. An Entrepreneurs Case Studies book was also launched in September. The case studies are based on past finalists of the Ernst & Young Entrepreneur of the Year® Award and highlight the entrepreneurial pathways and strategies of successful entrepreneurs on the island of Ireland. Within the Case Studies Radox Laboratories Limited describes the entrepreneurial journey of Crumlin based businessman Peter Fitzgerald. Established in 1982, Radox produces a range of medical diagnostic products for the domestic and export markets. The final case study profiles Chain Reaction Cycles, Doagh; Christopher Watson took over his parents' small family business in 1990 and turned it into a major global supplier of mountain bikes with customers in over 100 countries.

## **Public Procurement**

InterTradelreland partnered with the Department of Finance in Dublin and Central Procurement Directorate in Belfast in the 2nd All-Island Public Procurement Conference held on the 1- 2 May 2007 in Dublin. The event was attended by 300 public sector procurement professionals and private sector suppliers. Following on from the success of InterTradelreland's Go-Tender public procurement training programme, work continued in 2007 on a programme to develop the skills, expertise and efficiency of those who wish to win public sector business across the island. This has resulted in a programme of intensive two-day workshops and one-to-one mentoring sessions where companies are taught how to negotiate the complex processes involved through working on actual tenders for government business opportunities.

## **The Irish Best Practice Forum**

The Irish Best Practice Forum continued its activities during 2007. The Forum's main objective is to help companies to benchmark themselves against the 'best in class' within their own particular sector, and also with World Class Manufacturers. Work continued on the Self Assessment Tool, available on the IBPF website, and Best Practice visits to larger companies such as Diageo were facilitated by IBPF partners, Enterprise Ireland and Invest NI. Three Plenary sessions of the Forum were held during 2007. The Plenary sessions bring together expert practitioners from the development agencies to facilitate the sharing of best practice techniques.

# Programme Areas - Business Networks

## BioMed Ireland

Through the BioMed Ireland business network, InterTradelreland provided support for the 'BioEngineering in Ireland Conference 2007', held in the Manorth House Hotel, in Fermanagh from the 26 -28 January 2007. This conference was organised and hosted on behalf of the Royal Academy of Medicine in Ireland by the Medical Polymers Research Institute, Queen's University, Belfast. This is the first time the event was held in Northern Ireland. The conference provides a forum for disseminating research findings on medical devices and healthcare products to promote industrial, academic and clinical collaborations. A total of 177 delegates attended the conference, including 18 industry participants.

InterTradelreland provided support towards the BioMedIreland "Meet the Funders" event, held in Lisburn, Northern Ireland in May 2007. 15 companies attended the event, the objective of which was for biomedical companies to meet the various funding agencies within Northern Ireland.

## All-Island Software Network

In 2007 InterTradelreland continued its funding and support for the co-operative partnership between the Irish Software Association and Momentum, the Northern Ireland Information and Communications Technology Trade Association. Key activities during 2007 were:

- Public procurement awareness seminars and public procurement overview events in Cork and Galway for 70 SME's.
- Links developed with University College, Cork, Waterford Institute of Technology, University of Ulster, Queen's University, Belfast and University College, Galway to assist commercialisation activity in the software field.
- Public Procurement Guidelines distributed to all Business Network companies. These guidelines were developed as a result of the demand from participating companies on the network's Public Procurement training programme. Enabling 3 Skillnets Learning Networks to implement their successful applications under the all-island call for proposals.
- Facilitating a meeting of the Technology Transfer Officers from University College Cork, Waterford Institute of Technology, University of Ulster, Queen's University Belfast and University College Galway to assist commercialisation activity in the software field.
- Hosting a workshop for 32 companies with Accenture to develop potential partnership agreements.

- Developing and managing ‘spin-off’ networks from the All-Island Software Network: the Software Delivery Platform, the Mobile Advertising Platform Network and the Digital Media Forum Network.

### **Polymer & Plastics Network**

During 2007 the All-Island Polymer & Plastics Network continued its work to increase the global competitiveness of the industry, North and South, by encouraging, developing and supporting innovation, benchmarking, training, up-skilling and knowledge transfer throughout the sector. The industry-led network has been established to implement the key recommendations from the sector report, “A Competitiveness Analysis of the Polymer & Plastics Industry on the island of Ireland”. The network is supported by InterTradeIreland, Plastics Ireland, the Northern Ireland Polymer Association and the Polymer Processing Research Centre at Queen’s University, Belfast.

The network was successful in extending the existing plastics Skillnets training network to include Northern Ireland companies. First Polymer Training delivered the first instance of cross-border training at Brett Martin in Belfast. Injection Moulding training was delivered to five participants over two four-day workshops which took place at the end of November 2007 and the beginning of December 2007. The overall target for this training is for delivery to 41 staff members in the network’s companies from Northern Ireland by 31 March 2008.

### **All-Island Learning Networks (Skillnets)**

In conjunction with Skillnets, the Irish enterprise training body, a call for proposals was initiated within its Learning Networks Group. Projects were initiated in the following areas:

- Wireless - The Wireless Network to deliver a series of workshops and technology briefings for the sector.
- Software - The Software Network delivered four specific training modules aimed at raising skill levels and addressing identified needs within the sector.
- Digital Media - The DM network delivered training in content and animation for 25 participants over a nine month period.
- Food and Brewing (SLM) - The network will deliver a series of training programmes aimed at skilling technical staff in the disciplines of Food Technology and Brewing.
- Polymers & Plastics - The network delivered specific training within the areas of Injection Moulding, Blow Moulding and Extrusion Technology.

## **North West Science & Technology Partnership (NWSTP)**

The Partnership was formally launched in March 2007 in Letterkenny by An Taoiseach, Bertie Ahern TD and was attended by 70 participants from business and academia. The NWSTP completed the development of a core activity plan for 2007 and intensive individual company work commenced with companies based in the border region. In March 2007 an event, held in University of Ulster, facilitated a science talk for schools and a networking opportunity for the companies participating in the Partnership.

The Partnership promoted an Academic Business Clinical Research Innovation Facility (ABC-RIF) to be located at Altnagelvin Hospital. The multi-million pound facility, developed in Partnership between Altnagelvin Hospital, University of Ulster and Derry City Council, is designed to facilitate clinical trials for academics, companies and clinicians. The facility will include incubation space and will have an emphasis on commercialisation potential.

In 2007 the Partnership consolidated efforts to establish a world-class imaging facility; the NWSTP brought together Altnagelvin and Letterkenny hospitals and their respective Health Boards, University of Ulster and Letterkenny Institute of Technology. An Interreg application for Phase I of a 3-phase project was formally submitted to the North West Region Cross Border Group and following extensive lobbying was included in the Group's multi-annual plan.

## **All-Island Supplier Model (Construction)**

InterTradelreland supports this business network in conjunction with North West Marketing and Invest NI. The objective of the Network is to increase the capacity of 80 firms from Ireland and Northern Ireland to compete for locally based construction contracts. Specific objectives within the Model are to build a multi-sectoral and all-island construction network which will encourage partnership and co-operation between Irish suppliers and between the Public and Private sectors, and develop cross border bid teams representing clusters of companies. The first meeting of the network took place in Londonderry on the 30 August 2007 and was attended by 13 companies. A total of 40 companies from Ireland have been recruited to the network through InterTradelreland's funding of the programme. The companies have worked in partnership in the preparation and submission of a series of joint bids for a number of projects. Balfour Beatty, an international engineering and construction contractor, has expressed an interest in using local suppliers through the Supplier Model.

## **Build Up Construction Network**

The Build Up Construction Network was established through InterTradelreland's engagement with Westbic, the EU Business & Innovation Centre in the Border, Midland & Western region of Ireland. It is a cross-border network of innovative and quality businesses providing products and services to the construction industry. The network draws its members from companies primarily located in Donegal, Londonderry, Tyrone, Sligo and Fermanagh and hopes to attract 30 companies. The network's aim is to increase both the size and geographical coverage of the network and establish a range of business development targets to achieve over the next two years. Build Up includes innovative building products ranging from water proofing material for shower trays, alternative Bangor Blue roofing slates, cabling systems for entertainment, copper cylinders and geothermal heating systems.

In September 2007, 4 network companies exhibited at the Irish Building Exhibition in the RDS Dublin. Willis Heating Systems who have recently partnered with Copper Industries won best 'New Equipment' in the 'Product of the Show' awards for their Solasyphon heating system. This was the first time that Build Up companies had exhibited at this show. By the end of 2007 a total of 25 companies had been recruited.

A number of joint collaborative projects were identified within the network. In particular the collaboration between Willis Heating and Plumbing and Copper Cylinders has resulted in the development of a new heat exchange system. Urlar Decorative Flooring, Donegal Carpets, Wall Effects and Doherty Kitchens have collaborated to form a Design sub-cluster. Each of these companies provides high quality design products for exclusive houses, hotels and restaurants.

## **Mobile Advertising Platform Initiative**

In August 2007 InterTradelreland agreed a support package for the establishment of a new network of companies in the mobile telecommunications sector. The objective of this network is to develop a new mobile advertising product by integrating the software products and associated services of the five partner companies into a single, integrated platform. This platform will enable advertisers to deliver targeted and personalised advertising to consumers across a range of mobile technologies including messaging, mobile portals and on-device portals. The network's target customers will be the major mobile telecommunications network providers such as Vodafone and O2.

## **REMINAC Network**

Generated as a spin-off network from the BioMedIreland Business Network InterTradelreland is providing funding and support for the REMINAC network, which held its first co-operative meeting in Navan in October 2007. The network aims to develop and bring to market a Remote Management Device for treating Asthma. Eirwave, Marturion and Vitalograph form the network of companies collaborating on this all-island business network. The network aims to produce an initial prototype in early 2008 and has a business development value target of £1m/€1.47m.

## **Mobile Software Network (SDP Alliance)**

In February 2007 the 6 partner companies which comprise this network exhibited at the International 3GSM Conference in Barcelona, with significant interest emerging from mobile operators and systems integrators. The partner companies also exhibited at the International SDP Conference in Budapest in June 2007. The network delivered a technical workshop with over 25 international systems integrators and mobile operators present. Nokia, as preferred partner sponsor, supported the event. 5 companies from the network attended the SDP Asia International Trade event in Singapore. The network continues to generate interest from mobile operators and systems integrators and from software vendors wishing to join the network. In 2007 the network secured its first overseas business with a £545k/€801k contract in SE Asia.

## **All-Island Digital Media Forum**

In October 2007 InterTradelreland agreed to provide support and funding to a new network of companies in the Digital Media sector. The objectives of the All-Island Digital Media Forum are to integrate and develop the Digital Media sector across the island and to assist the generation of larger and international partnership opportunities for companies. The network creates a partnership between the Dublin Digital Media Forum and the Northern Ireland Digital Media Content Panel. It is a planned outcome of this network that, in the two years following the pilot project, the initiatives implemented will lead to increased revenues of £1.36m/€2m.

## **Plato Belfast**

Plato Belfast is a business support network for owner managers of small and medium enterprises (SMEs). Through a unique partnership with large “parent” companies, Plato provides SMEs with facilitated group learning, specialist expertise and advice, networking opportunities, business development training, and cross border activities. InterTradelreland provided financial support for a Regional Co-ordinator to promote PLATO in the greater Belfast area.

## **North/South Roundtable Group**

The North/South Roundtable Group is a unique informal private sector led “think tank”. It brings together leading figures in the public and private sectors, North and South, to discuss how best to enhance the economic well-being of the island of Ireland in a way that is mutually beneficial. *InterTradelreland* provides assistance in the form of secretariat support.

In 2007 the NSRG established a number of sub-groups involving leading business people from across the island to provide responses on the key issues of Infrastructure, Innovation, Trade and Investment Promotion, Labour Market/Education and Regulation and Fiscal Measures for reporting back to the Oversight Group on the Comprehensive Study on the Island Economy, which was commissioned by the British-Irish Intergovernmental Conference.

On 12 June 2007 an NSRG Plenary meeting was held in Dublin, with the theme East-West economic relations. Over 80 senior business and government representatives were briefed on how BT and AIB operate on the East-West axis. At the meeting the Irish Ambassador to the UK and the UK Ambassador to Ireland spoke on the growth of business between the two countries.

## **Dare to be Digital**

In 2007 *InterTradelreland* provided assistance with the entry from Ireland to the ‘Dare to be Digital’ competition run by the University of Abertay, Dundee. The Dare All-Ireland competition was launched in The Digital Hub in Dublin. The event was attended by 130 students from Carlow IT; Dundalk IT; University College Dublin; Dublin City University; Trinity College, Dublin; University of Limerick; Letterkenny IT; Queen’s University, Belfast; University of Ulster and Belfast Institute of Further and Higher Education.

The Dare to be Digital 2007 Awards ceremony was held in Dundee on Thursday 16 August 2007 in the University of Abertay Dundee. The Irish teams, Bathroom Buccaneers and Zero One, successfully completed their prototype games over a nine-week period in Queen’s University, Belfast. Both teams were mentored throughout the nine weeks by industry mentors from the island of Ireland and represented Ireland at the Dare Protoplay at the Edinburgh Games Festival on 14 August 2007. Team Zero One made it through to the last six and their game was highly acclaimed by industry judges as having exceptional market potential.

## **Ernst & Young Entrepreneur of the Year**

InterTradelreland were part sponsors of the 2007 Ernst & Young Entrepreneur of the Year Programme. On 23 November 2007 the finalists of the programme from Ireland visited Northern Ireland as guests of Northern Ireland sponsors and finalists. The visit included an event at Parliament Buildings which was hosted by the Deputy First Minister and facilitated by InterTradelreland, and included a reception provided by the Lord Mayor of Belfast. Invest Northern Ireland and Ernst & Young (Belfast). The Northern Ireland entrepreneurs, led by Lord Rana and the Northern Ireland Tourist Board, all contributed to showcasing Northern Ireland to this group of senior business people.

## **Networks Development & Facilitation**

InterTradelreland in association with Invest NI, Enterprise Ireland, IDA and Forfás, hosted the 'Business Networks Forum Collaborate for Commercial Success' event which took place in Farmleigh in Dublin on 30 January 2007. It was attended by more than 160 delegates, drawn from existing network members, company executives, industry associations and network facilitators, policy-makers, academics and relevant staff from the economic development agencies. Outcomes included agreement on the need for the development and application of a new approach to evaluating the impacts of networks, a co-ordinated approach towards more sophisticated and professional network facilitation, and a collaborative approach to network funding, particularly at an All-Island level.

In 2007 work included co-operation with Skillnets in extending their existing learning networks to Northern Ireland. More sophisticated and professional network facilitation was explored with Skillnets and the Cluster Facilitators Forum of the Centre for Competitiveness. In addition InterTradelreland collaborated with Invest NI and Enterprise Ireland to deliver a facilitator training and networking initiative. This involved a New Zealand-based expert on networks and clusters, Ifor Fowcs-Williams, and was attended by project managers / network facilitators.

# Business & Economic Research

## **Freight Transport Report for the Island Economy 2020**

A consortium comprising WSP Development and Transportation, the Logistics Research Centre at Heriot Watt University, Pantrak and the National Institute of Transport and Logistics was appointed to undertake the study to examine how freight moves on and off the island of Ireland. The steering group to oversee the study, chaired by *InterTradelreland*, comprised senior representatives from government departments with responsibility for transport in Northern Ireland and Ireland, industry representatives and the IBEC-CBI Joint Business Council. The study will be published in 2008.

## **BT/*InterTradelreland* Business Monitor**

BT and *InterTradelreland* agreed a co-operative project to conduct research for the BT/*InterTradelreland* Business Monitor in 2007. A Steering Group comprising Dublin Chamber, Northern Ireland Chamber of Commerce, IBEC/CBI Joint Business Council and the Institute of Directors, North and South, was set up to inform the content of a quarterly questionnaire. The project provides four thematic, quarterly business surveys and an annual commentary piece. The results for Quarter 1 were released in September 2007 with substantial press coverage in the print media and on radio.

There were encouraging findings on cross border trade:

- Just under half of businesses (43%) had formal or informal cross border links, a trend which was relatively consistent for both Northern Ireland and Ireland companies. Three quarters (75%) of companies had benefited from these formal and informal cross border links.
- Amongst those businesses that currently have cross border links, almost two thirds (64%) plan to develop these links over the next 12 months. Of those that have no links, 15% stated that they were planning to create some over the same period. In effect, over a third (36%) of all businesses throughout the island, regardless of their current trading relationships, plan to develop their cross-border linkages over the course of the next 12 months.

## **North Atlantic Trade and Transport Study**

The North Atlantic Trade and Transport Study was launched on 31 January 2007 in Belfast by Sir George Quigley. *InterTradelreland* supported the study in conjunction with Forfás and Invest NI and a range of private sector stakeholders. The report found that so far as LoLo (Lift On/Lift Off) freight is concerned the volume at play is unlikely to induce a carrier to change their schedule, however significant savings could be achieved if exporters routed through Liverpool rather than the continent. A number of recommendations were made concerning the need to upgrade port capacity for larger ships and to improve the collection of data.

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During 2007 a series of meetings were brokered by the Irish Exporters Association between 'high and heavy' manufacturing exporters and shipping lines. The interim solution being negotiated was for Wallenius Wilhelmsen Logistics to ship the 'high and heavy' cargo produced by companies such as Bombardier and Powerscreen through Dublin to Southampton and on to North America. In the future it may be possible to operate a feeder service from Belfast to Southampton.

### **Mapping Study of Research & Technological Development Centres on the Island of Ireland**

In January 2007, InterTradelreland initiated a Mapping Study of Research & Technological Development Centres on the Island of Ireland. This was commissioned by InterTradelreland in conjunction with the Department of Enterprise, Trade and Investment, the Department of Enterprise, Trade and Employment, the Department for Employment and Learning, Invest Northern Ireland, Enterprise Ireland and Science Foundation Ireland. The completed report presented, for the first time, a profile of the Research and Technological Development (RTD) Centres on the island of Ireland. The conclusions from the study are that both parts of the island have small research communities and lack scale in most areas. It is clear that collaboration

in areas where there are synergies can benefit both economies. The report made recommendations in the following broad areas to address identified barriers to increased cross-border collaboration:

- Improved awareness levels;
- Targeted cross-border support programmes, and;
- New funding models.

### **Feasibility Study into the Establishment of an All-Island IP & Technology Transfer Service**

InterTradelreland has continued to work with Universities Ireland with regards to implementing the primary recommendation from the Feasibility Study on University Collaboration on Technology Transfer, which was to develop a technology marketing entity to actively promote university technology and services.

In March 2007 InterTradelreland facilitated a presentation by Dr Siobhan Jordan, Director of Interface, to a meeting of the Vice Presidents for Research of the Irish Universities. Interface is an entity, owned collectively by the universities in Scotland and hosted by the University of Edinburgh, with the primary objective of improving linkages between industry and the universities.

## **A Simple Guide to Cross-Border Business**

In October 2007 *InterTradelreland* published *A Simple Guide to Cross-Border Business* as a handbook to firms seeking to develop trade or business linkages on a North/South basis. The information was presented in a practical and accessible format thanks to the input and expertise of FPM Chartered Accountants, Morgan McManus Solicitors and Northern Bank's Treasury Market Services. Over five thousand copies of the Simple Guide were circulated to enterprise agencies, Chambers of Commerce and companies across the island. A revised edition is planned for release in 2008.

## **Managerial Capabilities on the Island of Ireland**

*InterTradelreland* has worked in partnership with the Department of Enterprise Trade and Investment (DETI) and the Department for Employment and Learning (DEL) to ensure North/South coverage in this research through the involvement of the Forfás Expert Skills Group. The first meeting of the

Project Steering Group, including DETI, DEL and Forfás, was held in October 2007 and decided to approach recognised benchmarking experts in the field to investigate their likely involvement, and this was subsequently agreed. A second decision was taken, and acted upon, to widen the Steering Group to involve other agencies, North and South, with an involvement in the fields of management and leadership training in SMEs, including Invest NI and FÁS.

## **Mapping Differences in Business Regulations on the Island of Ireland**

Work commenced in October 2007 on this study which will explore where differences in business regulation exist and establish the cost to companies wishing to conduct business across the border.

## **Opportunities for the Environmental Goods and Services Sector on the Island of Ireland**

InterTradelreland entered into a partnership with Forfás to commission a study exploring the new market and collaboration opportunities that exist for businesses in the environmental goods and services sector. The advisory group overseeing the study, co-chaired by Forfás and InterTradelreland, comprises senior representatives from Enterprise Ireland, IDA Ireland, Invest NI, Department of Enterprise Trade and Employment (DETE), Sustainable Energy Ireland and business organisations in the sector. A consortium was appointed in December 2007 to undertake the study, and comprises EPS Consultants, Clean Technology Centre (UCC) and Envirocentre (QUB).

## **Design - A Study to Map Design Services & Support Initiatives to Business across Northern Ireland & Ireland**

A Steering Group consisting of representatives from InterTradelreland, Enterprise Ireland, Invest Northern Ireland and the Institute of Designers in Ireland was put in place in November 2007 to guide the research. The Centre for Design Innovation and Design Connect was appointed to carry out this study on behalf of InterTradelreland and the project was initiated in December 2007.

## **An Investigation into North/South Trade**

InterTradelreland engaged in an update of North/South Trade: A Statistical

Ground Clearing Exercise at the request of the Department of Enterprise Trade and Investment (DETI). Since the original InterTradelreland research, official trade data has continued to diverge to such an extent that both jurisdictions claim to have a trade surplus with the other. The research project seeks to identify the reasons for the difference, provide a best estimate of cross border trade and make recommendations to improve the figures.

## **All-Island Business Model**

In 2007 InterTradelreland has worked on the development of an All-Island Economic Model that will provide a forecasting capacity for the all-island economy. Work has been continuing with econometrics experts on and off the island of Ireland to advance this project.

## **Newry/Dundalk Study**

Following on from the InterTradelreland 'Spatial Strategies on the Island of Ireland' the Newry/ Dundalk Study, is being carried out by the International Centre for Local and Regional Development (ICLRD). This project aims to identify specific collaborative projects that can be implemented to make the twin-city concept a reality. The Steering Group is chaired by InterTradelreland and includes representatives from the private sector and Government Departments. By the end of 2007 over 95 consultations with stakeholders had taken place. The Steering Group endorsed the prioritisation of the Sustainable Energy, Geo and International Services Zone and advised that a joint urban re-generation project should be developed.

# Online Resources

## **ExpertiseIreland – All-Island Research Portal**

Funded by InterTradelreland and jointly managed with Irish Universities Association, expertiseireland.com is the gateway to the island's knowledge base and is the most advanced on-line portal of its kind in Europe. This on-line portal acts as the first point of contact for anyone seeking details about the research community on the island of Ireland. Launched in July 2003, the portal is driven by a powerful database populated directly from the knowledge management systems of the island's research institutions.

In 2007 the number of expert profiles exceeded 22,381 and a total of 857 new users registered with the portal. Usage of the website for 2007 showed 41,135 visits and 1,888,196 hits. A total of 14,681 searches were carried out during the year, with 22,381 expert profiles being accessed.

## **Go-Source**

Go-Source is a co-operative initiative between InterTradelreland, Enterprise Ireland and Invest Northern Ireland. This online directory of every public sector organisation on the island of Ireland includes public sector organisation profiles, incorporates contact details for buyers, their procurement structures and what they buy. The website provides links to live tenders, hints on accessing contracts and valuable information on the structure of Government bodies and their procurement procedures. Usage of the website for 2007 showed 30,984 visits and 435,000 hits.

## **Trade Statistics Website**

The InterTradelreland Trade Statistics website enables access to a range of comparable data on trade and production for Northern Ireland, Ireland and composite all-island data in the form of statistics, charts, and interactive graphs. Usage of the website for 2007 showed 279,700 visits and 1,123,369 hits.

## Get2business

This unique all-island guide to business support services, developed by InterTradelreland, helps businesses find the information they need, quickly and easily, from business planning and financial assistance to training and networking opportunities. The website connects businesses with our partners and other organisations that also deliver practical, reliable and effective advice and support across the island.

## Business and Economic Research Reports - Downloads 2007:

- Mapping the Bio Island (2003) - 936
- A Review of the All-Island Construction Sector (2003) – 1,890
- North/South Trade: A Statistical Ground Clearing Exercise (2003) - 400
- A North/South Analysis of Manufacturing Growth and Productivity (2003) - 639
- A Review of the Horticulture Industry (2004) - 530
- Entrepreneurship on the Island of Ireland in (2003) - 160
- Review of the All-Island Financial Services Sector (2004) - 601
- Cutting Our Cloth: A review of the All-Island Clothing and Textiles Industry (2005) - 649

- Entrepreneurship on the Island of Ireland in (2004) – 7,423
- Spatial Strategies on the Island of Ireland (2006) -70
- British Irish InterGovernmental Conference: Comprehensive study on the All-Island Economy (2006) - 88
- North Atlantic Shipping Study Report - 782
- Business Networks Report - 136
- Cross-Border Business Guidelines -9
- GEM (Global Entrepreneur Monitor) 2005 - 24
- Entrepreneurship Case Series 2007 - 12
- BT/InterTradelreland Business Monitor,Quarter 1 - 16
- BT/InterTradelreland Business Monitor,Quarter 2 - 5
- A Competitiveness Analysis of the Polymer & Plastics Sector on the Island of Ireland” - 25

TOTAL 2007 downloads 14,395





# AUDITED ACCOUNTS



# Foreword to the Accounts

## Background Information

InterTradelreland - The Trade and Business Development Body - is a North/South implementation body sponsored by the Department of Enterprise Trade and Investment in Northern Ireland and the Department of Enterprise Trade and Employment in Ireland. The Body was established on the 2 December 1999 under the Belfast Agreement 1998 and the British-Irish Agreement 1998 establishing implementation bodies, which is underpinned by the North/South Co-operation (Implementation Bodies) (Northern Ireland) Order 1999 and the British Irish Agreement Act 1999. The Trade and Business Development Body's principal functions are to exchange information and co-ordinate work on trade, business development and related matters, in areas where the two administrations specifically agree that it would be in their mutual interest. Specific areas include amongst others - co-operation on business development opportunities North and South, devising new approaches to business development and competitiveness, promotion of North-South trade supply chains and other areas when tasked jointly to do so.

These accounts have been prepared in accordance with the accounts direction attached in Appendix A.

## Business Review

A full review of the Trade and Business Development Body's activities is given in the Annual Report.

## Results for the Financial Year 1 January 2007 - 31 December 2008

The results of the Trade and Business Development Body are set out in detail on page 60. The deficit for the period was £494,741 (€722,320).

## Fixed Assets

Details of movement of fixed assets are set out in note 8 & 9 to the accounts.

## Research and Development

As an economic development agency InterTradelreland does not engage directly in research and development activity on its own behalf. However, the Body's priority area of activity stated in the 2008 - 2010 Corporate Plan is Science, Technology & Innovation (STI), which it will address through programmes such as North/South STI policy development and North/South STI programmes such as technology transfer and collaborative inter-firm research and development. The Body will also execute a programme of economic and business research.

## **Future Developments**

During 2008 the Body will start to implement its 2008 - 2010 Corporate Plan. InterTradelreland's two core goals for the period of this Corporate Plan are to generate business value, by enhancing company competitiveness and capability through co-operative North/South initiatives, and to improve the competitive environment on the island, for mutual benefit, through co-operative policy research, reports and networks.

## **Important Events Occuring After the Year End**

There have been no significant events since the year end 31st December 2007, which would affect these accounts.

## **Charitable Donations**

There were no charitable donations made by the Trade and Business Development Body during 2007.

## **Board Members**

The functions of the Body are exercised by the Board. The following served as board members during the period:

Dr Martin Naughton (Chairman)  
(resigned 12 December 2007)

Mr Barry Fitzsimons (Vice Chairman) (resigned  
12 December 2007)

Ms Mary Ainscough  
(resigned 12 December 2007)

Ms Jackie Harrison  
(resigned 12 December 2007)

Mr Carl McCann  
(resigned 12 December 2007)

Mr Feargal McCormack  
(resigned 12 December 2007)

Ms Inez McCormack  
(resigned 12 December 2007)

Mr Robbie Smyth  
(resigned 12 December 2007)

Mr John Fitzgerald  
(appointed Vice Chairman 13 December 2007)

Mr Jack Gilmour

Ms Rosaleen Doherty

Dr David Dobbin CBE  
(appointed Chairman 13 December 2007)

Mr Brendan Butler  
(appointed 13 December 2007)

Mr Ray Doherty  
(appointed 13 December 2007)

Mr Sean Gallagher  
(appointed 13 December 2007)

Mr Hugh Logue  
(appointed 13 December 2007)

Mr Pdraig MacLochlainn  
(appointed 13 December 2007)

Ms Patricia McKeown  
(appointed 13 December 2007)

Dr William Gerard O'Hare  
(appointed 13 December 2007)

Mr Tom Scott  
(appointed 13 December 2007)

The Chief Executive is Mr. Liam Nellis. The Chief Executive is responsible for the management and control generally of the administration of the Body.

## Equal Opportunities

The Trade and Business Development Body has continued to promote an Equal Opportunities Policy which sets out our commitment to provide employment equality to all, irrespective of:

- Gender, marital or family status
- Religious belief or political opinion

- Disability
- Race or ethnic origin
- Nationality
- Sexual orientation

The Policy reflects model procedures and practices recommended by the Equality Commission.

We are opposed to all forms of unlawful and unfair discrimination. All full-time and part-time employees and job applicants (actual or potential) will be treated fairly and selection for employment, promotion, training or any other benefit will be on the basis of aptitude and ability. Our customers, suppliers and members of the public with whom we interact are also afforded equality of treatment in this regard.

Our building is fully compliant with the requirements of the Disability Discrimination Act 1995 and has won the William Keown Access Award in 2002.

Currently 5% of our employees have declared that they have a disability under the definitions of the Act.

## **Statutory Equality Scheme**

The Body's Equality Scheme was approved by the Equality Commission in March 2002. The Body continues to be committed to implementation of its statutory responsibilities, by having regard to the need to promote equality of opportunity:

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

In carrying out its functions relating to Northern Ireland, the Body will have regard to the desirability of promoting good relations between persons of different religious beliefs, political opinion or racial group.

The Trade and Business Development Body has been actively working to implement its action plan and following a screening process and is currently undertaking Equality Impact Assessments in key areas.

## **Employee Involvement**

In September 2007, the Body formally recognised NIPSA for negotiation and consultation.

## **Payment to Suppliers**

The Trade and Business Development Body is committed to the prompt payment of bills for goods and services received in accordance with the UK Late Payment of Commercial Debts (Interest) Act 1998, and the Late Payments in Commercial Transactions Regulations 2002. Unless otherwise stated in the contract, payment is due within 30 days of the receipt of the goods or services, or presentation of a valid invoice or similar demand, whichever is later as required by legislation. Ninety-six percent of all approved invoices were paid within the relevant period.

## Health and Safety Policy

The Trade and Business Development Body has a Health & Safety Policy and Procedures covering the organisation and its premises. Procedures for evacuation and security arrangements are in place for the Body and regular drills and tests are carried out. First aiders and fire wardens have been appointed and have received the necessary training.

Liam Nellis  
CHIEF EXECUTIVE  
23 June 2008

## Statement of Responsibilities

### Trade and Business Development Body Responsibilities

The Finance Departments have directed the Trade and Business Development Body to prepare a statement of accounts for each year ended 31 December in the form and on the basis set out in the accounts direction at the appendix to these financial statements. The accounts are prepared on an accruals basis and must give a true and fair view of the Body's state of affairs at the year-end and of its income and expenditure, recognised gains and losses, and cash flows for the calendar year. The functions of the Body are exercised by the Board.

In preparing the accounts the Trade and Business Development Body is required to:

- Observe the accounts direction issued by the Sponsor Departments, including the relevant accounting and disclosure

requirements, and apply suitable accounting policies on a consistent basis;

- Make judgments and estimates on a reasonable basis;
- State whether applicable accounting standards have been followed and disclose and explain any material departures in the financial statements;
- Prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the Trade and Business Development Body will continue in operation.

## Chief Executive's Responsibilities

The Chief Executive's responsibilities as the accountable person for the Trade and Business Development Body (including responsibility for the propriety and regularity of the public finances and the keeping of proper records) are set out in the Financial Memorandum of the Body.

Liam Nellis  
CHIEF EXECUTIVE  
23 June 2008

## Statement on Internal Control

As accountable person, I have responsibility for maintaining a sound system of internal control that supports the achievement of the Trade and Business Development Body's policies, aims and objectives, set by the Board, North South Ministerial Council and Ministers, whilst safeguarding the public funds and the Trade and Business Development Body's assets for which I am personally responsible, in accordance with the responsibilities assigned to me in Government Accounting Northern Ireland and Public Finance Procedures.

The Trade and Business Development Body is a North/South implementation body sponsored by the Department of Enterprise Trade and Investment in Northern Ireland and the Department of Enterprise Trade and Employment in Ireland. The Departments' Accounting Officers are responsible for the propriety and regularity of all resources voted to the Departments by the respective legislatures. In line with existing custom and practice in both jurisdictions, it is the

responsibility of the Accounting Officers of the Departments to inter alia:

- Ensure that the Body's strategic aims and objectives are set in accordance with the Financial Memorandum;
- Ensure that his/her Department applies financial and other management controls as appropriate to safeguard the public funds provided to the Body in support of its operations;
- Ensure that controls being applied by the Body conform to the requirements of economy, propriety and good financial management and;
- Monitor expenditure and any borrowing.

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the Trade and Business Development Body's policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised and to manage them efficiently, effectively and economically. The system of internal control has been in place in the Trade and Business Development Body for the year ended 31 December 2007 and up to the date of approval of the annual report and accounts, and accords with the Finance Departments' guidance.

The Trade and Business Development Body considers regular risk management reports which identify, assess and set out the management of the risks facing the Body on an annual basis - or as necessary. This consideration will be with a view to assessing the accuracy of the risk profile of the Body and the appropriateness of the management of, and response to, these risks.

The Body has ensured that procedures are in place for verifying that aspects of risk management and internal control are regularly reviewed and reported on. The full risk and control assessment has been completed and reviewed in the year ended 31 December 2007. Risk management has been incorporated more fully into the corporate planning and decision making processes of the Trade and Business Development Body.

As Accountable Person, 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 Trade and Business Development Body, who have responsibility for the development and maintenance of the internal control framework, and comments made by the external auditors in their management letter and other reports.

I have been advised on the implications of the result of my review of the effectiveness of the system of internal controls by the Board and the Audit Committee. A plan to address weaknesses and ensure continuous improvement of the system is in place. Following the formal adoption of a Risk Management Policy Statement by the Board in 2003, processes in place for maintaining and reviewing the effectiveness of the system of internal control during the year ended 31st December 2007 included:

- The presentation of the Body's risk register to the Board.
- Quarterly review of the risk register by the Audit Committee.
- Meeting of the Audit Committee to consider and advise on matters arising around the system of internal control and the risk register.
- The adoption of a Fraud Policy by the Board.
- Two internal audits.
- The application of delegated sanctions agreed by both the respective Sponsoring Departments (DETE & DETI) and Departments of Finance (DoF & DFP).
- Taking cognisance of the recommendations and conclusions of evaluations around the Body's own programmes and those of its sister agencies so as to continually strive for best practice in terms of programme delivery and propriety.

The Trade and Business Development Body has outsourced the Internal Audit function which operates to appropriate standards. Internal Audit reports include an independent opinion on the adequacy and effectiveness of the Trade and Business Development Body's system of internal control together with recommendations for improvement.

Additionally, as a North/South Implementation Body jointly sponsored by the Department of Enterprise Trade and Investment and the Department of Enterprise Trade and Employment, InterTradeIreland may, at the discretion of the Departments, be subject to audit by their internal auditors. In early 2007, a joint team of the Departments' internal auditors concluded a comprehensive internal audit of financial systems and records.

In summary, the audit noted that there were no significant weaknesses identified and the evidence reviewed did not support any allegations of impropriety. Recommendations were made, as would be expected with any comprehensive review, and these are being or have been implemented. It was concluded that the Body is complying with its financial procedures and that the system of internal control was found to be effective. The auditors also concluded that the programmes run by InterTradeIreland are consistent with its legislative remit, have been approved by the Board and have been subject to economic appraisal and where appropriate departmental approval.

**Liam Nellis**  
**CHIEF EXECUTIVE**  
**23 June 2008**

## **Trade and Business Development Body**

### **The Certificate of the Comptrollers and Auditors General to the Northern Ireland Assembly and the Houses of the Oireachtas**

We have audited the accounts on pages 60 to 78. Our audit has been carried out pursuant to the provisions of the North/South Co-operation (Implementation Bodies) (Northern Ireland) Order 1999 and the British-Irish Agreement Act 1999 which require us to audit and certify, in co-operation, the accounts presented to us by the Body.

### **Respective Responsibilities of the Board, the Chief Executive and the Auditors**

The responsibilities of the Board of the Body and the Chief Executive, including those pertaining to the preparation of the financial statements and the regularity of financial transactions are set out in the Foreword to the Accounts on pages 50 and 54 and the Statement of the Board's and the Chief Executive's responsibilities on page 55. It is our responsibility to audit the accounts. As a result of our audit we express an opinion on the accounts.

We review whether the statement on pages 55 to 57 reflects the Body's compliance with applicable guidance on corporate governance and report on any material instance where it does not do so, or if the statement

is misleading or inconsistent with other information we are aware of from our audit of the accounts. We also report if, in our opinion, the Foreword or other information in the Annual Report is not consistent with the accounts.

### **Basis of Opinion**

We conducted our Audit in accordance with the Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts, disclosures and regularity of financial transactions included in the accounts. It also includes an assessment of the significant estimates and judgments made by the Board and Chief Executive in preparation of the accounts, and of whether the accounting policies are appropriate to the Body's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit to provide us with sufficient evidence to give reasonable assurance that the accounts are free from material misstatement, whether caused by error, or by fraud to other irregularity and that, in material respects, the expenditure and income have been applied to the purposes intended by the Northern Ireland Assembly and Dail Eireann and the financial transactions conform to the authorities which govern them. In forming our opinion we have also evaluated the overall adequacy of presentation of information in the accounts.

We have obtained all the information and explanations which were necessary for the purposes of our audit.

## **Opinion**

### **In our opinion:**

- Proper accounting records have been kept by the Body and the accounts, which are in agreement with them, give a true and fair view of the state of affairs of the Body at 31 December 2007 and of its transactions, total recognised gains and losses and cash flows for the year then ended and have been properly prepared in accordance with the accounts direction issued under the governing legislation.
- In all material respects the expenditure and income have been applied to the purposes intended by the Northern Ireland Assembly and Dail Eireann and the financial transactions conform to the authorities which govern them.

**J. M. Dowdall**  
**Comptroller and Auditor General**  
**for Northern Ireland**  
**106 University Street**  
**Belfast**  
**BT7 1EU**  
**2008**

**John Purcell**  
**Irish Comptroller and**  
**Auditor General**  
**Dublin Castle**  
**Dublin 2**  
**2007**

### Income and Expenditure account for Financial Year 1 January 2007 - 31 December 2007

	Notes	2007 £	2006 £	2007 €	2006 €
<b>INCOME</b>					
Revenue Grants from Departments	2	9,540,507	9,896,027	13,929,142	14,514,502
Capital Grant Release from Departments	13.2	60,915	50,898	88,936	74,652
Other Operating Income	3	150,858	102,393	220,252	150,180
<b>TOTAL INCOME</b>		<b>9,752,280</b>	<b>10,049,318</b>	<b>14,238,330</b>	<b>14,739,334</b>
<b>EXPENDITURE</b>					
Staff Costs and Board Remuneration	4	1,579,274	1,401,286	2,305,740	2,055,266
Depreciation	8.9	60,915	50,898	88,936	74,652
Other Operating Costs	6	1,084,167	1,149,717	1,582,883	1,686,287
Programme Costs	7	7,501,733	7,008,933	10,952,531	10,280,001
		10,226,089	9,610,834	14,930,090	14,096,206
Corporation Tax Payable	6 (b)	20,932	10,638	30,560	15,602
Surplus/(Deficit) for the period		-494,741	427,846	-722,320	627,526
Surplus/(Deficit) transferred to General Fund		-494,741	427,846	-722,320	627,526

The Body has no recognised gains or losses other than the results for the period as set out above. All amounts above relate to continuing activities. The notes on pages 62 to 77 form part of these accounts.

## Balance Sheet as at 31 December 2007

	Notes	2007 £	2006 £	2007 €	2006 €
<b>FIXED ASSETS</b>					
Intangible Assets	8	11,392	12,883	15,499	19,105
Tangible Assets	9	89,634	126,423	121,947	187,485
		101,026	139,306	137,446	206,590
<b>CURRENT ASSETS</b>					
Debtors	10	236,359	229,068	321,567	339,708
Cash at bank and in hand	14.2	3,907,317	3,877,229	5,315,906	5,749,928
		4,143,676	4,106,297	5,637,473	6,089,636
<b>CURRENT LIABILITIES</b>					
Creditors - amounts due in less than one year	11.1	1,596,923	1,493,041	2,172,615	2,214,179
Provisions - amounts due in less than one year	12	2,104,653	1,676,415	2,863,380	2,486,125
		3,701,576	3,169,456	5,035,995	4,700,304
<b>NET CURRENT ASSETS/(LIABILITIES)</b>		<b>442,100</b>	<b>936,841</b>	<b>601,478</b>	<b>1,389,332</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>543,126</b>	<b>1,076,147</b>	<b>738,924</b>	<b>1,595,922</b>
Creditors - amounts due in more than one year	11.2	-	-	-	-
<b>TOTAL ASSETS LESS TOTAL LIABILITIES</b>		<b>543,126</b>	<b>1,076,147</b>	<b>738,924</b>	<b>1,595,922</b>
Financed by :					
<b>CAPITAL AND RESERVES</b>					
General Fund	13.1	442,100	936,841	601,478	1,389,332
Capital Grant Reserve	13.2	101,026	139,306	137,446	206,590
		543,126	1,076,147	738,924	1,595,922

The notes on pages 62 to 77 form part of these accounts.

Liam Nellis  
 CHIEF EXECUTIVE  
 23 June 2008

## Cash Flow Statement for the year 1 January 2007 - 31 December 2007

	Notes	2007 £	Re-stated 2006 £	2007 £	Re-stated 2006 £
<b>Operating Activities</b>					
Net cash inflow/(outflow) from Operating Activities	14.1	-83,194	1,498,527	-599,415	2,236,106
<b>Returns on Investments and Servicing of Finance</b>					
Interest Receivable		123,920	70,036	180,923	102,722
<b>Capital expenditure and financial investment</b>					
Payments to acquire Fixed Assets		-22,635	-49,139	-33,047	-72,074
<b>Taxation</b>					
Corporation Tax Paid		-10,638	-3,878	-15,530	-5,684
<b>Financing</b>					
Grant Received for Capital Purposes	8.9	22,635	49,139	33,047	72,074
<b>Increase/(Decrease) in Cash</b>		<b>30,088</b>	<b>1,564,685</b>	<b>-434,022</b>	<b>2,333,144</b>

The notes on page 62 to 77 form part of these accounts.

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2007

### ACCOUNTING POLICIES

#### 1.1 Accounting Convention

The financial statements have been prepared in accordance with the historical cost convention.

Without limiting the information given, the financial statements are prepared on an accruals basis and comply with the accounting and disclosure requirements of the Companies (Northern Ireland) Order 1986, the Republic of Ireland Companies' Acts 1963 to 2005, the accounting standards issued or adopted by the Accounting Standards Board (except in relation to accounting for pension costs), and accounting and disclosure requirements issued by the Department of Finance and Personnel, and by the Department of Finance, insofar as those requirements are appropriate.

#### 1.2 Fixed Assets

a) All Fixed Assets are included at cost or valuation to the body. Intangible assets comprise purchased software.

b) Depreciation is calculated to write off the cost or revalued amounts of fixed assets within their useful lives. The methods adopted and rates used per annum are as follows:

Software Licences: 20% Straight Line

Office Equipment: 15% Straight Line

Fixtures & Fittings: 15% Straight Line

Computer Equipment: 33.33% Straight Line

Leasehold Improvements: Remainder of life of lease

c) A capitalisation threshold of £500 has been applied in the accounts during 2007.

### **1.3 Pension Costs**

During the year all staff employed by the Body were on contract to the Body or seconded from other Government Departments/Public Sector organizations. The North/South Pension Scheme was established by the North/South Implementation Bodies and Tourism Ireland Limited with effect from 29 April 2005.

It is a defined benefit pension scheme which is funded annually on a pay as you go basis from monies provided by the UK and Irish Exchequers.

The scheme is administered by an external administrator. Funding from the Irish Exchequer is provided by the Department of Finance to the Body which then funds the administrator. The Northern Ireland share of the benefits paid during the year is directly funded to the administrator by the UK Exchequer.

The Northern Ireland element of the costs is accounted for as if the scheme were a defined contribution scheme, i.e. the Body recognises only the employer's contributions in respect of the Northern element of the costs as an expense of the period. It also recognises a corresponding amount as income, representing the value of the resources that the UK Exchequer will make available to the Administrator in respect of these costs.

In respect of the element of pension costs ultimately borne by the Irish Exchequer, the Finance Departments (North and South) have directed that the only cost recognised in the Accounts up to 31 December 2006 will be the cost of pensions paid to the extent that this cost is ultimately borne by the Irish Exchequer. Secondees from the Northern Ireland Civil Service continue to be members of the Principal Civil Service Pension Scheme (NI). Secondees from the Southern Civil Service continue to be members of the Irish Principal Civil Service Pension Scheme.

The Body pays these pension costs as charged by these organisations.

### **1.4 Value Added Tax**

The Trade and Business Development Body was not in a position to reclaim VAT. Therefore VAT is included as expenditure and where appropriate capitalised in the value of Fixed Assets.

### **1.5 Foreign Currencies**

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange prevailing at the Balance Sheet date. Transactions in foreign currencies are recorded at the date of the transactions. Realised gains and losses are taken to the Income and Expenditure Account. Translated amounts have been disclosed in the Income and Expenditure Account, the Cash Flow Statement, the Balance Sheet and the related notes in EURO(€). The rate used for the Balance Sheet was £1=€1.3605 and the rate used for the Income and Expenditure Account was £1=€1.46.

### **1.6 Grant Expenditure**

Grant expenditure is recognised in the period in which the grant supported activity takes place. A provision is made in respect of grants attributable to grant supported activity during the year where the full amount of the grant has not been claimed by the year end. The provision is based on amounts estimated by InterTradelreland's programme managers, having regard to their assessment of programme progression.

### **1.7 Capital Grant Reserve**

Grants for capital purposes are credited to a Capital Grant Reserve and released to the Income and Expenditure Account over the expected useful lives of the assets.

### **1.8 Leases**

Rentals paid under operating leases are charged to operating costs on a straight line basis over the terms of the lease.

## 2. GRANT FROM THE DEPARTMENTS

### 2.1 Financial Year 1 January 2007 - 31 December 2007

	DETI £	DETI €	DETE £	DETE €	TOTAL £	TOTAL €
Revenue Grant	2,924,110	4,345,508	6,528,849	9,455,814	9,452,959	13,801,321
Non-cash Revenue Grant	87,548	127,821	-	-	87,548	127,821
	3,011,658	4,473,329	6,528,849	9,455,814	9,540,507	13,929,142
Capital Grant	7,545	11,016	15,090	22,031	22,635	33,047
	3,019,203	4,484,345	6,543,939	9,477,845	9,563,142	13,962,189

The total Euro receipts are expressed per accounting policy 1.5. Revenue and Capital grants shown from DETE and DETI reflect the actual respective Euro and Sterling grants received during 2007. The Non -cash Revenue grant represents revenue grant funding which has been abated by the sponsor Department, in respect of employer pension contributions due.

### 2.2 Financial Year 1 January 2006 - 31 December 2006

	DETI £	DETI €	DETE £	DETE €	TOTAL £	TOTAL €
Revenue Grant	3,269,147	4,820,651	6,573,640	9,615,763	9,842,787	14,436,415
Non-cash Revenue Grant	53,240	78,087	-	-	53,240	78,087
	3,322,387	4,898,738	6,573,640	9,615,763	9,896,027	14,514,502
Capital Grant	16,380	24,028	32,759	48,048	49,139	72,074
	3,338,767	4,922,766	6,606,399	9,663,811	9,945,166	14,586,576

The Body was paid grants from money voted by Parliament and Dail Eireann. NSMC, with the approval of Finance Ministers, recommended that the grants should be split on a 2:1 basis - DETE (2) and DETI (1). The grants were paid from money authorised by the Budget (No. 2) (Northern Ireland) Order 2006 and from money voted by Dail Eireann.

## 3. OTHER OPERATING INCOME in Financial Year 1 January 2007 - 31 December 2007

Other operating income comprises:

	2007 £	2006 £	2007 €	2006 €
Bank interest received	123,920	70,036	180,923	102,722
Conference Income	26,938	32,357	39,329	47,458
	150,858	102,393	220,252	150,180

**4. STAFF COSTS AND BOARD REMUNERATION**  
**in Financial Year 1 January 2007 - 31 December 2007**

(a) The average monthly number of employees (full time equivalent) per directorate was:	2007	Re-stated 2006
Corporate services	13	13
Policy	12	10
Operations	16	16
	<b>41</b>	<b>39</b>

It should be noted that the average monthly number of employees includes new staff that were recruited during the year, together with the secondees, from different Departments. Some of these secondees have now returned to their own Departments. The figures do not include student placements.

(b) The costs incurred in respect of these employees were:	2007 £	2006 £	2007 €	2006 €
Salaries & Wages	1,334,761	1,219,337	1,948,751	1,788,402
Social Security Costs				
- Current Year Costs	90,464	64,897	132,077	95,184
Other Pension Costs				
- Permanent Employees ASLC's	87,548	53,240	127,820	78,087
- Forfas Secondee	12,484	11,268	18,227	16,527
- NICS Secondees ASLCs	3,219	5,613	4,700	8,232
<b>Total Staff Costs</b>	<b>1,528,476</b>	<b>1,354,355</b>	<b>2,231,575</b>	<b>1,986,432</b>
Board Remuneration	50,798	46,910	74,165	68,803
Board Social Security Costs	0	21	0	31
<b>Total Board Costs</b>	<b>50,798</b>	<b>46,931</b>	<b>74,165</b>	<b>68,834</b>
<b>Total Board and Staff Costs</b>	<b>1,579,274</b>	<b>1,401,286</b>	<b>2,305,740</b>	<b>2,055,266</b>

Other pensions costs includes both pension contributions to NICSPS in relation to seconded staff, and the Northern share of ASLC's payable in relation to ITI under NSPS. All NICS secondments ended on 20th July 2007. The accounting policy for pensions is detailed in Note 1.3.

(c) Number of employees whose emoluments for the twelve months ending 31st December 2007 fell within the following bands:	2007	2006
£40,000 - 49,999	1	2
£50,000 - 59,999	1	-
£60,000 - 69,999	-	-
£70,000 - 79,999	-	1
£80,000 - 89,999	2	1

(d) The remuneration of the Chief Executive & Senior Management team, were as follows:						
	Salary 2007 £'000	Salary 2007 € 000	Benefits in Kind 2006 £	Salary 2006 £'000	Salary 2006 € 000	Benefits in kind 2005 £
Chief Executive: Mr Liam Nellis	89,527	130,709	-	88,944	130,454	
Mr Laurence Lord	Consent Withheld	Consent Withheld	-	Consent Withheld	Consent Withheld	-
Mr Aidan Gough "Under review"	47,794	69,779	-	46,371	68,012	-
Ms Catriona Regan	39,368	57,477	-	34,012	49,885	-

(e) Details of remuneration of the Chairman and Board Members were as follows:

	Fees 2007 £'000	Fees 2007 € 000	Benefits in Kind 2007 £	Fees 2006 £'000	Fees 2006 € 000	Benefits in kind 2006 £
Dr Martin Naughton (Chairman)	7.1	10.1	-	7.2	10.1	-
Mr Barry Fitzsimons (Vice-Chairman)	5.2	7.6	-	5.2	7.6	-
Mr Fergal McCormack	4	6.0	-	4	6.0	-
Mr Robbie Smyth	4.4	6.3	-	4.3	6.3	-
Mr Jack Gilmour	4	6.0	-	4	6.0	-
Mr John Fitzgerald	4.4	6.3	-	4.3	6.3	-
Mr Carl McCann	4.4	6.3	-	4.3	6.3	-
Ms Inez McCormack	4	6.0	-	4	6.0	-
Ms Jackie Harrison	4.4	6.3	-	4.3	6.3	-
Ms Mary Ainscough	4.4	6.3	-	4.3	6.3	-
Ms Rosaleen Doherty	4.4	6.3	-	1	1.5	-

Up to June 2006, the salary of Mr John Fitzgerald was paid directly to his employer as reimbursement of salary costs incurred.

(f) Pension details of the Chief Executive and Senior Management team as at 31 December 2007:

	Real increase in pension & related lump sum at age 60 £'000	Total accrued pension at age 60 at 31 Dec 2007 £'000	CETV at 31 Dec 2007 nearest £'000	CETV at 31 Dec 2006 nearest £'000	Real Increase in CETV nearest £'000
Chief Executive : Mr Liam Nellis	0 - 2.5 Plus 5 - 7.5 Lump sum	35 - 40	629	587	42
Mr Laurence Lord	Consent Withheld	Consent Withheld	Consent Withheld	Consent Withheld	Consent Withheld
Mr Aidan Gough	0 - 2.5 Plus 2.5 - 5 Lump sum	10 - 15	172	154	18
Ms Catriona Regan	0 - 2.5 Plus 2.5 - 5 Lump sum	10 - 15	163	146	17

## 5. PERFORMANCE AGAINST KEY FINANCIAL TARGETS

The Department of Enterprise Trade and Investment and the Department of Enterprise Trade and Employment do not consider it appropriate to set key financial targets for the Trade and Business Development Body. Annual operating plans, including predetermined performance indicators, are presented to North South Ministerial Council and approved.

## 6. OTHER OPERATING COSTS in Financial Year 1 January 2007 - 31 December 2007

	2007 £	2006 £	2007 €	2006 €
Travel and Subsistence	73,523	79,738	107,345	116,952
Publications	6,179	13,217	9,022	19,385
Postage, Stationery, Telephone	68,574	71,651	100,119	105,090
Currency Loss / (Gain)	-204,100	42,948	-297,986	62,991
Rent and Rates	239,533	214,904	349,717	315,200
Heat, Light and Power	22,380	21,876	32,569	32,086
Maintenance	15,927	39,674	23,253	58,189
Promotion	399,757	121,757	583,646	178,582
Professional Fees	58,384	166,030	85,240	243,516
Meeting Costs	3,209	3,257	4,685	4,777
Internal Auditor's Remuneration	9,097	3,342	13,281	4,902
External Auditor's Remuneration	18,000	18,000	26,280	26,401
Recruitment Costs	20,430	31,390	29,828	46,039
Insurance	19,424	19,135	28,360	28,065
HR Consultancy	45,763	0	66,814	0
Pension Admin Costs	44,259	45,029	64,619	66,043
Office Expenses	23,142	9,768	33,787	14,326
Computer Expenses	111,802	127,324	163,229	186,746
Non-Capitalised Costs of Assets	7,658	11,607	11,181	17,024
Disposal of Non - Capitalised Assets	-60	0	-88	0
Training	36,749	32,882	53,653	48,228
Equality	10,417	8,103	15,209	11,885
General Expenses	4,069	7,657	5,941	11,231
Bank Charges	-92	229	-135	335
Hosting Costs	2,918	9,580	4,260	14,051
Cleaning	21,196	22,612	30,946	33,166
Security Costs	23,421	25,211	34,195	36,976
Equipment Hire	2,680	2,796	3,913	4,101
TOTAL	1,084,167	1,149,717	1,582,883	1,686,287

## 6(b). CORPORATION TAX PAYABLE in Financial Year 1 January 2007 - 31 December 2007

	2007 £	2006 £	2007 €	2006 €
Corporation Tax Payable	20,932	10,638	30,560	15,602

Corporation Tax arose, in InterTradelreland in 2007, due to tax paid on the interest on savings within the bank accounts.

## 7. PROGRAMME COSTS in Financial Year 1 January 2007 - 31 December 2007

7.1 InterTradelreland Costs	2007 £	2006 £	2007 €	2006 €
Business Networks	769,757	294,649	1,123,846	432,162
Areas of Excellence Networks	714,911	560,147	1,043,770	821,568
Communities of Interest Networks	197,359	466,372	288,143	684,028
Network Enabling Tools - Trade	390,616	770,804	570,299	1,130,538
Network Enabling Tools - Business Development	747,299	911,186	1,091,057	1,336,437
Business & Economic Research	179,722	178,222	262,394	261,398
Other Third Party Projects	129,721	130,233	189,393	191,012

7.2 Financial Assistance to Other Organisations	2007 £	2006 £	2007 €	2006 €
Fusion	2,446,022	2,204,961	3,571,192	3,234,016
Acumen	340,470	194,286	497,086	284,959
Plato	20,000	31,256	29,200	45,843
Expertise Ireland	115,728	155,514	168,963	228,092
Equity/Venture Capital	214,305	170,375	312,885	249,889
INNOVA	1,028,609	748,294	1,501,768	1,097,523
Focus	176,750	158,391	258,055	232,312
Financial Assistance scheme	30,464	34,243	44,480	50,224
TOTAL	7,501,733	7,008,933	10,952,531	10,280,001

The work of the Trade and Business Development Body is reflected in its Annual Review as part of this Annual Report. The Accounts reflect that Annual Review in terms of the actual direct expenditure on these Programmes.

With respect to Note 7.2, Financial Assistance to other Organisations, the amount of £340,470 paid out under the Acumen programme solely represents the amount paid to other organisations from InterTradelreland resources. Under this programme both Invest NI and Enterprise Ireland also provide financial assistance to participating organisations. InterTradelreland has entered into a Memorandum of Understanding with both Invest NI and Enterprise Ireland to perform a treasury function on their behalf. A principle of this treasury function is that, within specified limits, in the event InterTradelreland pays monies to either an Invest NI or Enterprise

Ireland client organisation, those monies may be recouped from Invest NI and Enterprise Ireland accordingly.

In the year under review, Enterprise Ireland has not availed of this function. The amount paid or committed to Invest NI client organisations under this treasury function was £90,000. Any monies not recouped from Invest NI in the period under review are accounted for in the balance sheet as trade debtors. No element of any monies paid or committed under the treasury function on behalf of Invest NI is included in the above figure.

## 8. INTANGIBLE ASSETS in Financial Year 1 January 2007 - 31 December 2007

Cost of Valuation	Software Licences £	Total £	Total €
At 1 January 2007	13,886	13,886	20,592
Additions	1,543	1,543	2,253
Disposals			
At 31 December 2007	15,429	15,429	22,845
<b>Depreciation</b>			
At 1 January 2007	1,003	1,003	1,487
Provision for Year	3,034	3,034	4,430
Disposals			
At 31 December 2007	4,037	4,037	5,917
<b>Net Book Value at 31/12/07</b>	<b>11,392</b>	<b>11,392</b>	<b>16,928</b>
<b>Currency Translation Adjustment</b>			<b>-1,429</b>
<b>Net Book Value at 31/12/07</b>	<b>11,392</b>	<b>11,392</b>	<b>15,499</b>
<b>Net Book Value at 31/12/06</b>	<b>12,883</b>	<b>12,883</b>	<b>19,105</b>

## 9. FIXED ASSETS in Financial Year 1 January 2007- 31 December 2007

	Leasehold Improvements £	Fixtures & Fittings £	Office Equip £	Computer Equip £	Total £	Total €
<b>Cost or Valuation</b>						
At 1 January 2007	145,225	61,906	82,672	324,447	614,250	910,932
Additions		868	1,874	18,350	21,092	30,794
Disposals			-939	-2,303	-3,242	-4,733
At 31 December 2007	145,225	62,774	83,607	340,494	632,100	936,993
<b>Depreciation</b>						
At 1 January 2007	101,868	41,560	68,711	275,688	487,827	723,447
Provision for Year	13,070	8,834	8,721	27,256	57,881	84,506
Disposals			-939	-2,303	-3,242	-4,733
At 31 December 2007	114,938	50,394	76,493	300,641	542,466	803,220
<b>Net Book Value at 31/12/07</b>	<b>30,287</b>	<b>12,380</b>	<b>7,114</b>	<b>39,853</b>	<b>89,634</b>	<b>133,773</b>
<b>Currency Translation Adjustment</b>						<b>-11,826</b>
<b>Net Book Value at 31/12/07</b>	<b>30,287</b>	<b>12,380</b>	<b>7,114</b>	<b>39,853</b>	<b>89,634</b>	<b>121,947</b>
<b>Net Book Value at 31/12/06</b>	<b>43,357</b>	<b>20,346</b>	<b>13,961</b>	<b>48,759</b>	<b>126,423</b>	<b>187,485</b>

## 10. DEBTORS

Debtors (amounts due within one year)	2007 £	2006 £	2007 €	2006 €
Trade Debtors	137,644	130,011	187,265	192,806
Prepayments and accrued income	93,174	86,828	126,763	128,766
Other Debtors	5,541	12,229	7,539	18,136
<b>Total</b>	<b>236,359</b>	<b>229,068</b>	<b>321,567</b>	<b>339,708</b>

## 11. CREDITORS

11.1 Creditors (amounts falling due less than one year)	2007 £	2006 £	2007 €	2006 €
Trade Creditors	657,541	733,064	894,585	1,087,134
Accruals	912,909	737,110	1,242,013	1,093,134
Other Creditors	5,541	12,229	7,539	18,135
Corporation Tax	20,932	10,638	28,478	15,776
<b>Total</b>	<b>1,596,923</b>	<b>1,493,041</b>	<b>2,172,615</b>	<b>2,214,179</b>

11.2 Creditors (amounts falling due in more than one year)	2007 £	2006 £	2007 €	2006 €
Trade Creditors	-	-	-	-

## 12. PROVISIONS

Provisions (amounts falling due less than one year)	2007 £	Re-stated 2006 £	2007 €	Re-stated 2006 €
Opening Balance	1,676,415	894,644	2,486,125	1,321,836
Provided in the Year	2,047,302	1,622,533	2,989,061	2,379,769
Provisions not required written back	-280,777	-	-409,934	-
Provisions Utilised in the Year	-1,338,287	-840,762	-1,953,899	-1,233,146
Difference on Foreign Exchange Translation	-	-	-247,973	17,666
<b>Closing balance</b>	<b>2,104,653</b>	<b>1,676,415</b>	<b>2,863,380</b>	<b>2,486,125</b>

The above provisions represent grants estimated by InterTradelreland to arise as a result of grant support activity which took place in the year but which have not yet been claimed by grantees. They arise under the following programmes: Equity Seedcorn, INNOVA, Acumen, Focus, Fusion and North West Science & Technology.

## 13. RESERVES

13.1 General Fund	2007 £	2006 £	2007 €	2006 €
General Fund Opening Balance	936,841	508,995	1,389,332	752,040
Surplus/(Deficit) for the year	-494,741	427,846	-722,320	627,526
Difference on Foreign Exchange Translation	-	-	-65,534	9,766
<b>General Fund Closing Balance</b>	<b>442,100</b>	<b>936,841</b>	<b>601,478</b>	<b>1,389,332</b>

13.2 Capital Grant Reserve	2007 £	2006 £	2007 €	2006 €
Opening Balance	139,306	141,065	206,590	208,424
Capital Grants Received	22,635	49,139	33,047	72,074
Less: Transfer to Income & Expenditure	-60,915	-50,898	-88,936	-74,652
Adjustment for Fixed Asset Disposal	-	-	-	-
Difference on Foreign Exchange Translation	-	-	-13,255	744
<b>Capital Grants Reserve Closing Balance</b>	<b>101,026</b>	<b>139,306</b>	<b>137,446</b>	<b>206,590</b>

#### 14. NOTES TO CASH FLOW STATEMENT

14.1 Reconciliation of surplus/(deficit) for the Financial Year 1 January 2007 to 31 December 2007 to net cash inflow from operating activities				
	2007 £	2006 £	2007 €	2006 €
Surplus/(Deficit) for the year before tax	-484,103	431,724	-706,790	633,210
Depreciation	60,915	50,898	88,936	74,652
Transfer from Capital Grant Reserve	-60,915	-50,898	-88,936	-74,652
Bank Interest Receivable	-123,920	-70,036	-180,923	-102,722
Decrease/(Increase) in debtors	-7,291	-40,035	18,141	-60,412
(Decrease)/Increase in creditors	521,826	1,170,114	322,989	1,746,218
Increase in Corporation Tax creditor	10,294	6,760	12,702	10,046
Difference on Foreign Exchange Translation	-	-	-65,534	9,766
<b>Net cash inflow from operating activities</b>	<b>-83,194</b>	<b>1,498,527</b>	<b>-599,415</b>	<b>2,236,106</b>

14.2 Reconciliation of net cash inflow to movement in net debt	Re-stated 2007 £	2006 £	Re-stated 2007 €	2006 €
Cash at Bank and in hand at 1 January 2006	3,877,229	2,312,544	5,749,928	3,416,784
Net Cash Inflow	30,088	1,564,685	-434,022	2,333,144
Difference on Foreign Exchange Translation	-	-	-	-
<b>Cash at Bank and in hand at 31 December 2006</b>	<b>3,907,317</b>	<b>3,877,229</b>	<b>5,315,906</b>	<b>5,749,928</b>

## 15. CAPITAL COMMITMENTS

15.1 Capital commitments at 31 December 2007 for which no provision has been made	£
Contracted	-
Authorised but not contracted	-
<b>Total</b>	<b>-</b>
15.2 Other Commitments	9,171,987

This commitment relates mainly to letters of offer which were issued prior to the year end in respect of ACUMEN, FUSION, INNOVA and other programmes.

## 16. CONTINGENT LIABILITIES

There were no contingent liabilities as at 31 December 2007.

## 17. RELATED PARTY TRANSACTIONS

The Trade and Business Development Body is a cross border implementation body sponsored by the Department of Enterprise Trade and Investment in Northern Ireland and the Department of Enterprise Trade and Employment in Ireland. The above named departments are regarded as related parties. During the year the Trade and Business Development Body has had various transactions with these departments and with other entities for which the Department of Enterprise Trade and Investment or the Department of Enterprise Trade and Employment are regarded as a parent Department. There were also transactions with Construction Service and Business Development Service (BDS), which are executive agencies of DFP.

### (i) Transactions Involving Senior Management

There were no transactions involving the senior management team members during the year.

### (ii) Transactions Involving Board Members

#### a) Beneficial Interests

The Body works with many private sector organisations including organisations in which Board Members have a beneficial interest. Transactions during the year with such organisations, which were all conducted at arms length and were subject to normal project and programme rules and tendering procedures, where appropriate, are listed overleaf:

### Services Supplied to the Body (inclusive of VAT where applicable)

Board Member	Organisation	Amount Paid 2007
Mr Feargal McCormack	FPM, Chartered Accountants	£20,738.75

### Funding Provided to Companies

Board Member	Organisation	Amount Paid 2007
Mr Sean Gallagher	Smarthomes Ltd	£36,778

### b) Non Beneficial Interests

The Body also works with many public/private funded organisations with whom joint projects and transactions have been undertaken during the year. The following board members and key management staff held official positions in these organisations.

Board Member	Company / Organisation	Position Held
Ms Jackie Harrison	The Digital Hub	Director
Ms Jackie Harrison	Irish Business and Employers Confederation (IBEC)	Director of Social Policy, (resigned Jan 2007)
Mr Feargal McCormack	Helix Innovation Partnership Limited	Financial accountant & auditor
Mr Feargal McCormack	Microtradelreland	Supply of consultancy services.
Mr Feargal McCormack	International Centre for Local and Regional Development	Chairman
Mr Brendan Butler	Irish Business and Employers Confederation (IBEC)	Director of Strategy, trade, EU & International Affairs

## 18. OBLIGATIONS UNDER LEASES

Annual commitments under non-cancellable operating leases are as follows:

	Land & Buildings				Other			
	2007 £	2007 €	2006 £	2006 €	2007 £	2007 €	2006 £	2006 €
Operating leases Which Expire	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Within One Year	-	-	-	-	-	-	-	-
In two to five years	-	-	-	-	3	4	3	4
Over five Years	191	260	191	260	-	-	-	-
<b>TOTAL</b>	<b>191</b>	<b>260</b>	<b>191</b>	<b>260</b>	<b>3</b>	<b>4</b>	<b>3</b>	<b>4</b>

## 19. LOSSES AND SPECIAL PAYMENTS

There has been no losses or special payments.

## 20. FINANCIAL INSTRUMENTS, LIQUIDITY, INTEREST RATE AND FOREIGN CURRENCY RISK.

### 20.1 Financial Instruments

Due to the non-trading nature of its activities and the way the Body is financed, the Body is not exposed to the degree of financial risk faced by business entities. The Body has very limited powers to borrow or invest surplus funds, and financial assets and liabilities are generated by day-to-day operational activities and are not held to change the risks facing the Body in undertaking its activities.

The Body's financial instruments mainly consist of cash, trade debtors and trade creditors.

### 20.2 Liquidity, Interest rate and Foreign Currency Risk

The Body's net revenue resource requirements are financed by resources voted annually by the Assembly or Parliament and the Oireachtas, as largely is its capital expenditure. It is not therefore exposed to significant liquidity risks. The Body does not access funds from commercial sources and so is not exposed to significant interest rate risk. The Body's transactions are effected in the currencies of each part of Ireland, with realised gains and losses being taken to the Income and Expenditure Account. The Body's exposure to foreign currency risk is not significant as it receives agreed levels of funding from its sponsoring departments, the Department of Enterprise Trade and Investment and the Department of Enterprise Trade and Employment, in sterling and euro respectively, and does not engage in trading activities. However, as the Body receives two thirds of its funding from DETE, in euro, yet discharges the majority of its transactions in sterling it is exposed to foreign currency risk to a limited degree.

Appendix A

InterTradelreland

ACCOUNTS DIRECTION GIVEN BY THE NORTHERN IRELAND DEPARTMENT OF ENTERPRISE TRADE AND INVESTMENT AND THE IRISH DEPARTMENT OF ENTERPRISE TRADE AND EMPLOYMENT WITH THE APPROVAL OF THE FINANCE DEPARTMENTS, (DEPARTMENT OF FINANCE AND PERSONNEL AND DEPARTMENT OF FINANCE) IN ACCORDANCE WITH THE NORTH/SOUTH CO-OPERATION (IMPLEMENTATION BODIES) (NORTHERN IRELAND) ORDER 1999 AND THE BRITISH-IRISH AGREEMENT ACT 1999.

The annual accounts shall give a true and fair view of the income and expenditure and cash flows for the financial year, and the state of affairs at year-end. Subject to this requirement, the Body shall prepare accounts for the financial period ended 31 December 2000 and subsequent years in accordance with:

- a) The North/South Implementation Bodies Annual Reports and Accounts Guidance;
- b) other guidance which Finance Departments may issue from time to time in respect of accounts which are required to give a true and fair view;
- c) any other specific disclosures required by sponsoring Departments;

except where agreed otherwise with Finance Departments, in which case the exception shall be described in the notes to the accounts.

Signed by authority of the:

**Department of Enterprise Trade and Investment**

A.W. Hamilton

**Department of Enterprise Trade and Employment**

Ronald Long

Dated 21 June 2001











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