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Joint Ministerial Foreword	4
Chairman's Introduction	6
Chief Executive's Message	8
Strategic Performance Summary	12
Corporate Plan 2008-2010	12
2010 Business Plan	14
Board Members	18
Organisation and Staffing Profile	26

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Strategy and Key Performance Indicators	32
Business Plan Performance Report	36
Targets and Performance	36
Programme Area Report	37

---

Audited Accounts	48
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*Richard Bruton*

**Richard Bruton TD**  
MINISTER FOR JOBS,  
ENTERPRISE AND  
INNOVATION



*Arlene Foster*

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

## Joint Ministerial Foreword

It gives us great pleasure to present InterTradelreland's Annual Report for 2010.

The organisation continues to focus on encouraging innovation activity as a key driver of competitiveness and economic growth. By supporting an open system of innovation whereby companies can interact and cooperate with each other and with the external business environment, InterTradelreland offers SMEs the potential to source and connect with a wider variety of expertise across Northern Ireland and Ireland, also serving as a platform for cooperation within the EU and beyond.

In the current climate, the work undertaken by InterTradelreland is more important than ever and in 2010 its success in supporting SMEs to promote North/South trade and business development opportunities has been demonstrable.

In spite of the sustained economic challenges faced by both economies on the island, InterTradelreland's return on investment in

2010 reached its highest level since the body was established over ten years ago. For every £1 invested in the organisation, it delivered an eleven-fold return in business development value during the period. The practical advice and direct support given to businesses through the range of trade and innovation initiatives provided by the organisation have enabled this impressive return and helped to offset challenges to businesses, many of which were highlighted in InterTradelreland's quarterly Business Monitor survey.

The Business Monitor indicated that the financial burden on SMEs during this time of recession has been compounded by issues such as rising overheads (specifically high energy costs) and a continued lack of access to finance. Whilst there were some tentative signs of a return to growth, the final Monitor of 2010 showed that 90 per cent of businesses surveyed felt the economic downturn was having an adverse effect on their business, with almost one third reporting that they had not been able to remain profitable in the past 12 months.

*“We commend InterTradelreland for its success in providing initiatives that promote venture capital investment and innovation, allowing businesses to compete both locally and in the global market-place.”*

Any sector related to the construction industry has been severely impacted and we as ministers understand that these are areas that continue to require our attention.

The Business Monitor did show some positive signs in the last year with trade from Ireland to Northern Ireland increasing by 4.81 per cent, from €0.997bn in 2009 to €1.045bn in 2010 - the first increase since 2006-2007. Exports from Ireland as a whole to GB were up by 2.4 per cent, driven by rises in sectors dominated by Foreign Direct Investment.

Whilst overall cross-border sales from Northern Ireland to Ireland declined by 6.3 per cent during this period, the Irish market remains extremely important for small businesses in Northern Ireland, accounting for nearly three quarters of the sector's exports. The Food and Drink Industry remains dominant, with an increase in exports in this area of 25 per cent over the year.

With the help of InterTradelreland, in partnership with Invest NI, Enterprise Ireland and other agencies, businesses which wish to expand their horizons have had access to resources and support specifically designed to meet their needs and we would once again encourage companies to explore the opportunities open to them. We commend InterTradelreland for its success in providing initiatives that promote venture capital investment and innovation, allowing businesses to compete both locally and in the global market-place.

Our appreciation goes to the organisation's dedicated staff under the leadership of the Chief Executive and the guidance of the Chairman and Board members. We would like to express our continued support to everyone involved in InterTradelreland and wish them well for the coming year.

[Back to Contents](#)



*David Dobbin*

Dr David Dobbin CBE  
CHAIRMAN

*“As we move into 2011, key objectives for InterTradelreland will be to build on our existing suite of programmes and supports to help even more businesses.”*

## Chairman’s Introduction

During 2010, InterTradelreland continued to deliver real value to SMEs in helping them to identify and develop new export customers, increase sales, diversify and improve their competitiveness through innovation. Demand for our supports and services has never been greater and InterTradelreland has embraced the challenge of ‘doing more with less’ supporting SMEs to generate £83.3m/€93.6m of new trade and business development value in 2010.

Despite the significant and sustained economic challenges faced by both economies on the island – I am pleased to report that InterTradelreland’s return on investment in 2010 reached its highest level since the body was established. For every £1 invested in the organisation, it delivered an eleven-fold return in business development value during the period.

These results were achieved by providing practical advice and direct support to businesses through our range of trade and innovation initiatives.

In 2010, the previous challenges of availability of finance and declining demand were compounded by the rising costs of doing business. InterTradelreland’s quarterly business monitor survey of 1,000 owner-managers in Northern Ireland and Ireland revealed that global cost pressures are making a difficult trading environment even tougher. Half of businesses reported increases in supplier costs compared with the previous year with rising energy costs the largest concern for business.

Innovation to improve competitiveness has become more than an option for businesses – it is now an economic imperative. Demand for InterTradelreland’s range of innovation programmes and supports was higher than ever in 2010 and we introduced a number of new successful initiatives during the year including the innovation and research connections programmes.

The story of 2010 was of a two-tiered recession, whereby export orientated, innovation led companies continued to significantly outperform companies focussed mainly on their domestic market.

To that end, we felt that it was important to showcase the success stories of these SMEs that are embracing innovation, developing new markets and raising venture capital to help drive economic growth. We launched our ‘InterTradelreland Business Ambassador initiative’ in Northern Ireland in 2010 and nominated 35 Business Ambassadors from throughout the region, recognising them at an event in Stormont attended by MLAs and Ministers from the Assembly.

Through promoting the results that can be achieved through our North-South trade and innovation programmes, we hope to inspire other companies to seek support from InterTradelreland to help take their business to next level. The Business Ambassador initiative will be launched in Ireland during 2011.

Undoubtedly smaller firms focussed on their local market have been hardest hit by the recession. Research amongst these firms undertaken by InterTradelreland in 2010, found that the area in which small firms need support is in sales development. As a direct response to

business needs, we began the development of new small business sales programme which will be launched next year.

As we move into 2011, key objectives for InterTradelreland will be to build on our existing suite of programmes and supports to help even more businesses. There will be a particular focus on supporting small firms and building innovative capabilities in SMEs.

As an organisation, our challenge for the year ahead will be to get maximum leverage from our limited resources, identify efficiency savings through innovations in service delivery, maximising value for money in terms of economic outcomes while continuing to increase our business outreach.

I want to thank our Board, Executive Team and staff for their considerable enthusiasm and commitment during the year which, together with the leadership and support of both Ministers and their departments – has delivered unprecedented performance results in extremely challenging trading conditions.

[Back to Contents](#)



Liam Nellis  
CHIEF EXECUTIVE

## Chief Executive's Message

As my tenure as CEO of InterTradelreland reached 10 years this year, I am delighted to report that the organisation has responded to the challenge of supporting even more businesses to deliver record values of business development value.

Since our inception just over 10 years ago, the organisation has continuously evolved and adapted to both changing market conditions and the needs of the wider business community on the island. Our performance results in 2010 demonstrate InterTradelreland's continued value in difficult times for both economies.

Despite the effects of the downturn, subsequent impact on trading conditions and cuts in public sector resources, InterTradelreland has delivered trade and business development value which is £20m ahead of target for the year.

During 2010, InterTradelreland provided practical advice and support to 3,000 SMEs and delivered more than £83m/€93m in trade and business development value. Through our programmes we also assisted 56 companies to become first-time exporters and 50 companies to become first-time innovators.

Our range of trade and innovation programmes continued to help businesses to increase cross-border sales, develop new products and processes, and raise new equity finance.

We also produced a number of business and economic research reports which included the 'Infrastructure for an island population of 8m by 2030' which identified collaborative infrastructure projects required to maintain future competitiveness and a Business Networks report to assess the economic impact of business networks and identify best practice in supporting network development. In addition, a number of market research reports which produced including Micogeneration of Renewable Energy and Energy Management studies.

This research underpins InterTradelreland's cross-border initiatives and enables recommendations to be made to stakeholders on policy issues of mutual benefit of both economies.

During 2010, InterTradelreland continued to focus on its range of trade and innovation initiatives to support SMEs in Northern Ireland and Ireland.

*“During 2010, InterTradelreland provided practical advice and support to 3,000 SMEs and delivered more than £83m/€93m in trade and business development value.”*

One of our Innovation programmes, FUSION, which partners companies with a technology need with third level institutes and academics, reported impressive results with value generated of £27m/€31m and the creation or protection of 73 jobs.

Our sales and marketing programme, Acumen, generated £9m/€10m worth of additional sales and resulted in 53 jobs being created.

InterTradelreland also provides a range of services aimed at helping early stage companies to become investor ready and raise new risk capital. During 2010, more than £21m/€24m in new equity was leveraged by finalists in our Seedcorn Business competition. In addition, Halo Business Angel Networks in Ireland and Northern Ireland completed 27 deals with direct investment of over £6m/€7m and additional leveraged investment of £3m/€3.5m.

The US-Ireland R&D partnership for which InterTradelreland provides the secretariat, aims to promote collaborative and innovative projects amongst researchers across the three jurisdictions in the areas of Diabetes, Cystic Fibrosis, Nanotechnology and Sensor Technology. A further projects was awarded funding in 2010 bringing the number of successful partnership projects to five with the combined value of £10m/€12m.

As we look forward to 2011, I would like to take the opportunity to thank both Governments, the cooperation from business development agencies, our Board, Senior Management Team and most importantly our staff for enabling us to deliver continued value for businesses across the island. As we look forward to next year, we will continue to evolve as an organisation to meet the challenges ahead and support businesses for the mutual benefit of both economies.

[Back to Contents](#)

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**Strategic  
performance  
summary**

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## Strategic Performance Summary

### Summary Performance Report – Corporate Plan 2008-2010

This 2010 Annual Report sees the completion of InterTradelreland's Corporate Plan for 2008-2010.

InterTradelreland's key strategic goals for the period 2008-2010 were:

- To generate Business Value, by enhancing company competitiveness and capability through co-operative North/South initiatives.
- To improve the Competitive Environment on the island, for mutual benefit, through co-operative policy research, reports and networks.

The performance of each of our Trade and Innovation programmes is aggregated and reported against the following Key Performance Indicators defined for the period 2008-2010:

**KPI 1** - The Business Value generated through InterTradelreland's North/South business programmes.

**KPI 2** - The number of firms developing their business through InterTradelreland's North/South business programmes.

**KPI 3** - The number of North/South trade and business development networks established/supported by InterTradelreland.

### Key Achievements:

- Total Business Value<sup>1</sup> Achieved [& Return on Investment<sup>2</sup>].  
2008: £64.45M/€77.88M [9.9:1]  
2009: £83.5M/€92.7M [10.65:1]  
2010: £83.3M/€93.6M [11.14:1]
- We have provided business information and advice to 8,700 companies.
- 720 companies have participated on our North/South Trade and Innovation programmes.
- Companies on our Trade and Innovation programmes have reported that 520 jobs have been created or protected as a result of their participation.
- 200 firms have become first-time exporters.
- 104 firms have engaged in a formal innovation project with a 3rd Level Institute for the first time.
- 16 new North/South Business Networks have been established.
- 15 business and economic policy research reports have been published and there have been more than 80,000 downloads of InterTradelreland publications in this Corporate Plan period.
- New information services have been designed and implemented, including our North/South Trade Statistics Service, Quarterly All Island Business Monitor and Simple Guide to Cross-Border Trade.
- Our portfolio of unique North/South programmes continues to provide direct support to the business community in those areas vital to competitive performance; Innovation programmes such as FUSION, INNOVA and EQUITYNETWORK, and Sales & Marketing programmes such as ACUMEN and GO-2-TENDER.
- Our business and economic research publications have highlighted and identified opportunities that can be exploited through business and economic co-operation, and ensure that our activities continue to be designed on sound economic principles.
- We achieved the Corporate Plan Efficiency Ratio<sup>3</sup> target of 1:3 in 2008. This was replaced by 3% Annual Cumulative Cash Releasing Efficiency Savings in 2009 and 2010, which were also met.

<sup>1</sup> Business Value is reported as an aggregation of impacts from our portfolio of programmes and incorporates Additional Revenue Generated, Efficiency Savings and Investments Made as a direct result of a company's participation on an InterTradelreland programme.

<sup>2</sup> Return on Investment is the ratio of Business Value Generated by InterTradelreland programmes against the cost of delivering those programmes.

<sup>3</sup> Ratio of Operating Costs to Programme Costs.



## Strategic Performance Summary

### Summary Performance Report – 2010 Business Plan

#### 2010 Targets

##### Strategic Performance Indicator [Return on Investment 8:1].

Target: £62M/€70M<sup>4</sup> total value of reported trade and business development activity generated by firms engaged on our co-operative North/South Trade and Innovation programmes and our all-island business networks.

##### Key Performance Indicator 1 [Companies engaged in North/South Business].

Target: 1500 additional companies engaged in developing their North/South business capabilities through the utilisation of our business information and advice services and through participation on our Trade and Innovation programmes.

##### Key Performance Indicator 2 [Jobs].

Target: 125 jobs; new jobs created plus existing jobs protected as a direct result of company participation on an InterTradelreland programme.

##### Key Performance Indicator 3 [First Time Exporters].

Target: 50 companies to become first-time exporters through participation on an InterTradelreland Trade programme.

##### Key Performance Indicator 4 [New Product/Process Development].

Target: 50 company projects to develop new products/processes through participation on an InterTradelreland programme.

##### Key Performance Indicator 5 [First Time Innovators].

Target: 25 companies to become first-time innovators through participation on an InterTradelreland Innovation programme.

##### Key Performance Indicator 6 [Business Networks].

Target: 4 new North/South business networks to be established.

### 2010 Performance against Business Plan Targets

Reference	Measure	2010 Target	2010 Performance
Strategic Performance Indicator	Return on Investment [Business Value Achieved]	8:1 £62M/€70M	11.14:1 £83.3M/€93.6M
Key Performance Indicator 1	Additional companies engaged in cross border trade and business development	1500	2996
Key Performance Indicator 2	Jobs - New Jobs Created - Existing Jobs Sustained	125	113 57
Key Performance Indicator 3	First Time Exporters	50	56
Key Performance Indicator 4	New product/process development projects initiated	50	43
Key Performance Indicator 5	First Time Innovators	25	50
Key Performance Indicator 6	New North/South Business Networks	4	5

<sup>4</sup> €1=£0.89 (NSMC 2010 Business Planning Guidance).



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**board  
members**

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## Board Members 2010

During 2010, InterTradeIreland had an Executive Board consisting of 12 members who were appointed by the North/South Ministerial Council.



**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 based in Northern Ireland. He is actively involved in promoting regional economic development and is Chairman of the Strategic Investment Board for Northern Ireland and serves on the Board of Invest Northern Ireland. He has previously held a number of public and industry appointments including Chairman of CBI Northern Ireland and Chairman of the Prince's Trust in 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 and is a Chartered Engineer and a Fellow of the Institute of Directors. In addition to receiving the CBE in the 2005 Birthday Honours for his service to the agrifood and packaging industries, Dr Dobbin was awarded the IOD Lunn's Award for Excellence in 2008, an honorary doctorate from Queen's University Belfast in 2005 for his services to the economy and an honorary Chinese citizenship in 1998 by the city of Kunshan in recognition of his service to economic development in China.



**JOHN FITZGERALD**  
**VICE CHAIRMAN**

John Fitzgerald was appointed Dublin City Manager in 1996 and stepped down from that position in June 2006. He is chairman of the Grangegorman Development Agency, which was established by Government to provide a campus for the Dublin Institute of Technology and its 20,000 students in Dublin's north inner city. He is chairman of the Regeneration Agencies set up in Limerick resulting from the recommendations of his report to Government on problems of social exclusion in that city. He is chairman of An Post and was appointed chairman of the National Transport Authority in December 2009.



**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 existing family business of public houses. At the end of the 1970s, 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 eight years, his daughter Nicola is proprietor/publisher of a Wall Street weekly electronic paper in New York and his son is an architect, currently in London.



**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 2010 Brendan became IBEC's Director of Policy and International Affairs.

Brendan was involved in the negotiations for the various social 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 B.Comm from University College Dublin and M.Sc. (Economics) from Trinity College Dublin.



**DR WILLIAM GERARD O'HARE CBE**

Gerard 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, Gerard has grown an international portfolio of properties and investments fast approaching \$1 Billion Dollars which includes; The Quays Shopping & Leisure Centre in Newry and The Fairgreen Shopping Centre in Carlow, Ireland. As an ambassador for Northern Ireland respected for good business practice, sound vision and a proven ability, Gerard 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, Gerard'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.

In June 2009, HRH Prince Charles appointed Dr O'Hare as his Ambassador for Business and Corporate Social Responsibility in Northern Ireland. In October 2009, Dr O'Hare along with Valerie Jarrett, Senior Advisor to President Barack Obama, received a joint Lambda Alpha International Award for International Urban Affairs.

## Board Members 2010

Dr O'Hare has recently also been appointed as Honorary Consul for Latvia where he will have special role both for Northern Ireland and Ireland. More recently, Dr O'Hare was listed in the New Years Honours List 2009 in which he was awarded his CBE Honours.

He has also recently received the coveted Maritime Lifetime Award from Ocean Youth Trust of Ireland (only ever previously awarded once before to Lord Glentoran of Antrim) and this was in particular recognition of his recent involvement with the "Green Dragon" the Irish entry in the Volvo Ocean Round The World Yacht Race 2008/9 and for his acclaimed Chairmanship of Belfast Tall Ships 2008 which brought 850,000 visitors to the City Inner Harbour.



**HUGH LOGUE**

Hugh Logue is an economist and was a senior official of the European Commission in Brussels from 1985 to 2005 with experience of R&D development. 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 and a Director of the Youth Employment Agency. At InterTradelreland he chairs the award winning FUSION programme.

He is a director of two international renewable energy companies and chairman of a consultancy firm. He is vice-chairman 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 elected for the Derry constituency to the N.I Assembly in 1973, 1975 and 1982. He has published widely in many journals - national and international.



**RAY DOHERTY**

Ray Doherty began his working career as a Marine Radio Engineer and then completed a Marketing Degree and 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 Cork where he operated three restaurants, employing over 300 people and has spent 25 years in that business, from which he recently retired.

Currently he is director of property related companies and a property development partnership, has property interests in Ireland, UK and Portugal and is a board member and investor in small and medium business start ups.

Ray has served on several Boards and for many years was the representative for the Restaurants Association of Ireland 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 as President of the Cork Business Association representing over 200 businesses in Cork City.

Ray is a member of the Marketing Institute of Ireland, Irish Management Institute, the Cork Chamber of Commerce, the Cork Business Association and is a Director of a number of Charities.



**PATRICIA MCKEOWN**

Patricia McKeown is the NI Regional Secretary of the public service union UNISON. She is lead negotiator in the public service and represents both UNISON and ICTU on a wide range of public policy forums. Patricia is a lifelong campaigner for equality and human rights - with a primary focus on women's rights. She represented ICTU in the Bill of Rights Forum and was Chair of its Working Group on Socio Economic Rights.

Patricia is the outgoing President of the Irish Congress of Trade Unions (2007-2009) and currently represents ICTU on the cross border body InterTradelreland. She has previously chaired the ICTU Northern Ireland Committee and as a trade union nominee was Deputy Chairperson of the Equal Opportunities Commission (NI).



**PÁDRAIG MACLOCHLAINN**

Pádraig MacLochlainn is a member of Donegal County Council and Bunrana Town Council. He served as Mayor of Bunrana from June 2005 to June 2006. Pádraig has been the Sinn Féin candidate for Donegal North East in Dáil elections on two occasions. In 2002, he received 10% (3611 votes) and in the 2007 general election, he received 17.5% (6733 votes), just missing out on a Dáil seat. He is Chairperson of his party's National Councillors forum (NCF). 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 as well as representing the organisation on the National Rural Development Forum. At local level, he was a community director on the Inishowen Partnership Board for five 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.

## Board Members 2010



**TOM SCOTT OBE**

Tom Scott was until 2005 a Northern Ireland senior civil servant latterly with the 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 and in January 2011 he was appointed to the Chair of the Ulster Scots Agency.

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.

Tom was awarded an OBE in the 2008 New Years Honours List for services to the community in Northern Ireland.



**SEAN GALLAGHER**

Sean Gallagher is co-founder and former CEO of Dundalk based company Smarthomes. Set up in 2002, the company specialises in the manufacture and installation of technology

solutions for the residential construction sector. In 2004 the company won the InterTradeIreland 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 secretary 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.

He is a panelist on the hugely successful RTE TV business programme "Dragons Den" and is a keenly sought after speaker in the areas of Motivation and Enterprise. A keen fitness enthusiast and in line with his commitment to those with disabilities, he participated in and won the 2009 Reality TV Boxing Show "Charity Lord of the Ring" raising much needed funds for his chosen charity The National Council for the Blind.

In 2010 he was appointed to the Board of FAS, Ireland's National Training and Employment Agency.



**VINCENT PARKER**

Vincent Parker is a Minsiterial and Assembly Policy Advisor to Sinn Féin, providing advice on a range of strategic political and public policy issues. He is Director of Sinn Féin's Equality and Human Rights Department, and managed the party's delegation during the recent Bill of Rights Forum.

Vincent has extensive strategic and operational management, business development, marketing management and public policy experience gained in an international environment, within the private and public sector.

A history graduate from Queen's University Belfast, Vincent also holds a masters degree from the Institute of European Studies and a postgraduate diploma in marketing from the University of Ulster. He has also studied in Aarhus, Denmark and Boston, USA.

Vincent was previously European Director of a leading global life science business with responsibilities including strategic planning, project and business management, brand management and communications. He has also held management roles in the public policy consultancy sector, and the community sector.

He is currently vice-chair of South Belfast District Policing Partnership, chairperson of Finaghy Crossroads Group and a Board member of Feile an Phobail.

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**organisation  
and staffing  
profile**

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## Organisation and Staffing Profile

### Senior Management Team



**Chief Executive**  
**Liam Nellis, Chief Executive**

Liam obtained a Law Degree (LLB) from the University of London. He went on to receive an MSc in Social Policy, Planning and Administration from the University of Ulster. Having joined the Northern Ireland Civil Service in 1973, he established NI-CO (the public sector marketing company) in 1990. In 1997 he joined the Industrial Development Board as Executive Director, responsible for attracting foreign direct investment to Northern Ireland. After a brief period on secondment to set up the body, Liam was appointed CEO of InterTradelreland in 2000.

Liam is on the Council of the University of Ulster and is an Advisor to the National Competitiveness Council Dublin. He sits on the Northern Committee for the Sales Institute of Ireland, is a member of the Institute of Directors and is on the Board of the Institute of British Irish Studies at University College Dublin. Liam is also on the Board of several charitable trusts including Caring Breaks, The Gerry Rogan Initiative Trust and the Drake Music Project.

Liam is married to Catherine with two sons.



**Aidan Gough,**  
**Strategy and Policy Director**

In his role as Strategy and Policy Director, Aidan formulates strategy to guide the work of the organisation, defining and implementing an economic and business research agenda to generate new policy ideas and initiatives that will boost North/South economic co-operation to mutual benefit. Aidan is particularly involved in ensuring the implementation of a science, technology and innovation strategy for the Body. He also is responsible for building co-operative relationships with a range of stakeholders across the island and manages an extremely talented high performance team in Strategy & Policy. 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**

Laurence joined InterTradelreland in 2001 and leads the Corporate Services Directorate in supporting and promoting the Body's activities. He spent twelve years working in Australia and several countries in Southern Africa in senior roles in the financial services, dairy and security sectors. He also spent two years with a humanitarian organisation focussing on refugee resettlement in Zambia. Laurence also worked for several years in financial management and professional development roles in Ireland where he was the course director of a professional accounting programme.

A Chartered Management Accountant and graduate of Trinity College Dublin, Laurence took his MBA at Henley Management College and a Graduate Certificate in Information Technology from Dublin City University.



**Margaret Hearty,**  
**Director of Programmes and Business Services**

Margaret is responsible for leading the development and delivery of InterTradelreland's suite of programmes and business services. InterTradelreland provides financial assistance and support to businesses across the island. InterTradelreland's support is centred around Trade and Innovation including helping companies to access new markets, develop new products and processes and raising early stage finance.

Margaret is a business and marketing graduate. She completed an MBA in 2004. Margaret's career to date has focused on supporting the development of SME's and early stage companies. She lead the development of InterTradelreland's Equity Network Programme. She was appointed to her current position in December 2009.



## Organisation and Staffing Profile

### 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, that 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 in Northern Ireland and Ireland.

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 & Innovation, Business & Economic Research, Programme Appraisal and Evaluation and Business Planning and Performance Management.

#### Corporate Services Directorate

The Corporate Services Directorate consistently adds value to InterTradelreland through building and maintaining the confidence and support of key internal and external stakeholders.

It develops and implements key strategies around communications, information technology and financial and human resource management in support of the Body's business objectives and unique standing as an Implementation Body.

### Staffing Profile January – December 2010

As at the 31st December 2010, InterTradelreland employed 40 permanent staff, (FTE - Full Time Equivalent of 39), and had three current vacancies.

The staff of the Body 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 e.g. Accountancy & CIPD.

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

During 2010, one permanent post was filled, and at the end of the year, a recruitment process was ongoing for two further positions. These vacancies were advertised in Northern Ireland and Ireland and attracted substantial interest with 104 applications returned. Applications were of a high calibre in terms of experience and skills.

Currently 2% of staff in InterTradelreland have declared themselves to have a disability under the definition of the Disability Discrimination Act 1995/Disability Act 2005. The Body will continue to make adjustments to both the workplace/and or working practices as appropriate.

#### The distribution of staff – by headcount – across the organisation was as follows:

Grade	CEO's Office	Operations Directorate	Strategy & Policy Directorate	Corporate Services Directorate	Total
CEO	1				1
Director		1	1	1	3
Manager		4	4	4	12
Deputy/Project Manager		6	3	2	11
Executive & Administrative Staff	1	6	2	4	13
<b>Totals</b>	<b>2</b>	<b>17</b>	<b>10</b>	<b>11</b>	<b>40*</b>

\*As several Staff Members avail of the Body's Family Friendly Policies and work reduced hours the Staffing Full Time Equivalent is 39.

[Back to Contents](#)



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**strategy  
and key  
performance  
indicators**

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## Strategy & Key Performance Indicators

### Vision, Mission and Strategic Goals

In straightforward terms, trade depends on being competitive, and competitiveness depends on a productive use of economic resources.

InterTradelreland's Vision is of a globally competitive enterprise environment in which Ireland and Northern Ireland co-operate to ensure the optimal utilisation of economic resources, particularly knowledge resources, to drive additional trade and wealth creation.

Our Mission is to identify and help realise opportunities to improve competitiveness, generate economic growth and create sustainable, quality jobs in both jurisdictions through increased levels of North/South trade and co-operation on innovation and business development opportunities.

We have developed a strategic framework built on the basic principle embodied in our Vision; that there are mutual benefits in co-operating to optimise the island's economic resources, and that the critical impediment to the achievement of these benefits remains the imperfect flow of relevant information and knowledge across the border. The framework identifies priority areas of activity within a broad competitiveness agenda and captures the importance of impact over outputs.

### The Strategic Framework shows two core goals:

1. To generate business value, by enhancing company competitiveness and capability through co-operative North/South initiatives.
2. To improve the Competitive Environment on the island, for mutual benefit, through co-operative policy research, reports and networks.

### Building Business and Institutional Connections

Our strategic framework offers a structure within which InterTradelreland will contribute to enhanced optimisation of the island's economic resources through cross-border co-operative initiatives that will have mutually positive micro (business value) and macro (environmental) impacts. The key to unlocking the potential to optimise economic resources will be the building of meaningful connections with and between representatives of the business community, academia, government departments and agencies. Such connections can lead to more efficient delivery of services and initiatives and open a gateway to new international relationships<sup>5</sup>.

### Communicating Co-operative Success

Co-operation between Northern Ireland and Ireland remains a relatively untapped source of competitive advantage. Communicating the economic benefits and impacts of successful co-operation is a key tool in helping to extend participation in new and existing initiatives.

### Key Performance Indicators

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

### Key Performance Indicators (KPI's) for 2008-2010 are:

- KPI 1** The Business Value generated through InterTradelreland's North/South business programmes.
- KPI 2** The number of firms developing their business through InterTradelreland's North/South business programmes.
- KPI 3** The number of North/South trade and business development networks established/supported by InterTradelreland.

Targets against these three Key Performance Indicators above are set within the organisation's Annual Business Plans and reported each year. The 2010 Business Plan Performance Report in the next section provides quantitative and qualitative data on our operational programmes and networks, our business and economic research reports, work within the co-operative policy and operational secretariats with which we are engaged and the online services which we have created and are delivering.

Indirect Impact Measures reflect the medium to longer term impact of InterTradelreland's programmes and initiatives. These include improved co-operation-driven business capability and competitiveness, increased business flows, increased knowledge flows and innovation, and increased levels of North/South trade.

<sup>5</sup> Such as the tripartite US Ireland R&D Partnership which has been established between the US, Northern Ireland and Ireland, and for which InterTradelreland provides a secretariat function.

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**business  
plan  
performance  
report**

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## Business Plan Performance Report

### Targets and Performance

#### Strategic Performance Indicator [Return on Investment<sup>6</sup> 8:1].

Target: £62M/€70M<sup>7</sup> total value of reported trade and business development activity generated by firms engaged on our co-operative North/South Trade and Innovation programmes and our all-island business networks.

#### Key Performance Indicator 1 [Companies engaged in North/South Business].

Target: 1500 additional companies engaged in developing their North/South business capabilities through the utilisation of our business information and advice services and through participation on our Trade and Innovation programmes.

#### Key Performance Indicator 2 [Jobs].

Target: 125 jobs; new jobs created plus existing jobs protected as a direct result of

company participation on an InterTradelreland programme.

#### Key Performance Indicator 3 [First Time Exporters].

Target: 50 companies to become first-time exporters through participation on an InterTradelreland Trade programme.

#### Key Performance Indicator 4 [New Product/Process Development].

Target: 50 company projects to develop new products/processes through participation on an InterTradelreland programme.

#### Key Performance Indicator 5 [First Time Innovators].

Target: 25 companies to become first-time innovators through participation on an InterTradelreland Innovation programme.

#### Key Performance Indicator 6 [Business Networks].

Target: 4 new North/South business networks to be established.

### 2010 Performance against Business Plan Targets

Reference	Measure	2010 Target	2010 Performance
Strategic Performance Indicator	Return on Investment [Business Value Achieved] <sup>8</sup>	8:1 £62M/€70M	11.14:1 £83.3M/€93.6M
Key Performance Indicator 1	Additional companies engaged in cross-border trade and business development	1500	2996
Key Performance Indicator 2	Jobs - New Jobs Created - Existing Jobs Protected	125	113 57
Key Performance Indicator 3	First Time Exporters	50	56
Key Performance Indicator 4	New product/process development projects initiated	50	43
Key Performance Indicator 5	First Time Innovators	25	50
Key Performance Indicator 6	New North/South Business Networks	4	5

<sup>6</sup> Return on Investment is the ratio of Business Value Generated by InterTradelreland programmes against the cost of delivering those programmes.

<sup>7</sup> €1=£0.89 (NSMC 2010 Business Planning Guidance).

<sup>8</sup> Business Value is reported as an aggregation of impacts from our portfolio of programmes and incorporates Additional Revenue Generated, Efficiency Savings and Investments Made as a direct result of a company's participation on an InterTradelreland programme.

### Programme Area Report

#### Science, Technology & Innovation

#### FUSION

FUSION is InterTradelreland's technology transfer programme. It provides companies with technology-based needs the opportunity to work within a three-way partnership that includes third-level research institutions with specialist expertise and a high-calibre science and technology graduate.

In 2010, 43 FUSION projects were completed, and an additional 35 new companies embarked on their FUSION projects. Performance monitoring visits have verified Business Value directly generated by FUSION projects of £27.9M/€31.3M, the creation of 16 new jobs and the protection of 57 jobs which would otherwise have been lost.

**Company Case Study:** inphoActive, a digital solutions company in Belfast, was partnered with University College Dublin (UCD) to develop an innovative new product for the healthcare sector. At the end of the project, the graduate secured a full-time position with inphoActive. Managing Director Fergus Wallace said "The skills and knowledge acquired through the FUSION Program are invaluable. I have no hesitation in recommending InterTradelreland's FUSION programme to any SME or graduate who wants to explore the best-practice steps in how to bring innovative ideas or projects into commercial reality". inphoActive's clients include health trusts, social services agencies, emergency services and agriculture departments.



inphoActive, Northern Ireland Science Park, Belfast.

## Business Plan Performance Report

### Innova

Innova is a unique cross-border collaborative Research & Development programme offering companies an opportunity to accelerate new product, process or service developments through partnering with a company in the other jurisdiction. There are now 12 collaborative cross-border research and development partnerships on Innova. These companies have already reported the creation of nine new jobs through their participation on the programme with post-project monitoring yet to begin.

#### Partnership Case Study: Cleanfields

(Bangor), SCFI (Cork) & Williams Industrial (Newtownabbey) formed their partnership to develop new processes and technology using Super Critical Water Oxidation (SCWO) which will provide water utilities with a lower carbon and more efficient means of treating sewage sludge; including conversion into a renewable energy resource. With strict reduction targets under EU and National Government regulations this presents the opportunity for both commercial and societal benefits.

### US-Ireland Research and Development Partnership

The US-Ireland Research and Development Partnership is an alliance of academic and research institutes from the United States, Ireland and Northern Ireland. Its aim is to promote collaborative and innovative projects amongst researchers across the three jurisdictions offering a unique opportunity to advance research interests, healthcare and economic development in priority areas such as Diabetes, Cystic Fibrosis, Nanotechnology and Sensor Technology. A further project was

awarded funding in 2010 bringing the number of successful Partnership projects to five with a combined value of £10.7M/€12M.

### All-Island Innovation Programme



Professor Russo, Strascheg Institute for innovation and Entrepreneurship, Frankfurt.

The All-Island Innovation Programme, delivered by InterTradelreland in partnership with University College Dublin, NUI Galway and Queens University Belfast, brings international expertise and best practice in innovation to Ireland and Northern Ireland. The aim of this programme is to study innovation across academic disciplines, to align best practice in innovation research with current policy thinking and to inform the development and implementation of future policy. In 2010 a series of lectures and seminars and a major conference were delivered in Belfast and Dublin. The theme for the conference was 'Building Collaborative Networks for Innovation'. Speakers at the events have included Professor Russo, Strascheg Institute for Innovation and Entrepreneurship Frankfurt, and Professor Woody Powell, Stanford University California. Overall the series of lectures, seminars and the conference attracted 629 attendees, including 261 business representatives.

### Research Connections

The InterTradelreland Research Connections Programme brings together organisations in strategically important research areas to develop cross-border relationships and partnerships. These partnerships support the development of the all-island research base that will underpin future economic and social development in both jurisdictions. Two workshops were held in 2010; the Infection Free Island Network (IFIN) Workshop in Dublin and a Campylobacter Workshop in Coleraine.

### Innovation Connections Programme

The pilot Innovation Connections Programme provided a highly-structured innovation methodology to help companies innovate and access new markets through a process of user-centred innovation. The focus of the pilot phase was on the Civil Security sector, in particular security/detection services within airports. The pilot comprised five regional SME Workshops, and provided support to 60 participants from 48 companies. This successful pilot will lead to the roll-out of the programme from 2011.

### Innovation Awards

The Irish Times/InterTradelreland Innovation Awards were launched in October 2009 with the awards ceremony taking place in March 2010. There were winners in six award categories; Organisational Systems and Processes (Concern Worldwide & Irish Aid), Product & Services Innovation (BiancaMed Ltd), Application of R&D (Sigmoid Pharma - Overall Winner), GreenTech (Easydry Ltd), North/South Collaboration (C-Tric) and Public Service Innovation (NeuroLink). The launch for the 2011 Awards took place in October 2010 in Magee College, University of Ulster and by the end of 2010 a total of 211 registrations had been received.

### Bridging the Border

'Bridging the Border' seminars, organised by InterTradelreland in partnership with Invest NI and Enterprise Ireland, provide businesses with information on collaborative opportunities and facilitate partnership meetings. A Bridging the Border information and networking seminar was held in Londonderry in June 2010. There were a total of 75 attendees, including 36 industry participants and a total of 50 contact meetings took place. On the 27th September 2010 a 'Waste to Resource' seminar was held in Dublin. This seminar highlighted trends in waste management in relation to new legislation, business development and emerging technologies across the EU.



## Business Plan Performance Report

### EquityNetwork

InterTradelreland's EquityNetwork Programme offers a range of supports to help companies improve their ability to develop investor-ready business plans to attract equity investment to fund growth.

### All-island Seedcorn Business Competition

During 2010, EquityNetwork reported a total of £21.4M/€24M in new equity being raised by companies who had been regional finalists in the Seedcorn Competition in previous years. The 2010 Seedcorn Competition was formally launched in May, received more than 200 entries and concluded in November in Belfast with the final judging and awards ceremony. The overall winner of the €100,000 High Growth prize was Barracuda FX, Dublin. Barracuda FX offer an Order Management System for Foreign Exchange, which allows banks to increase trading revenue, lower costs and maximise profitability.

**Company Case Study: Radisens** Diagnostics is a medical diagnostics start-up company based in Bishopstown Co Cork, and was the Munster regional winner. They are currently developing portable platforms for testing blood for various cancers, cardiac markers, viruses and infectious diseases, by using only a finger-prick of patient's blood and reporting results within 15 minutes. The development by Radisens will provide a portable, multi-platform testing facility which will enable clinicians to rapidly screen for a number of diseases through one test with one device. Jerry O'Brien Radisens Diagnostics CEO reported that the Seedcorn process and profile achieved as a result of the

competition directly influenced the €1.1m equity investment in the company by Kernal Capital. Radisens also recently announced the creation of 33 new jobs in Cork on the back of the investment and have opened an office in Boston.



Radisens Diagnostics, Cork.

### Halo Business Angel Networks

The Halo Business Angel Networks in Ireland and Northern Ireland completed 27 deals with direct investment of £6.3M/€7M and additional leveraged investment of £3.1M/€3.5M.

### Venture Capital Conference

InterTradelreland's Venture Capital Conference was held in May 2010 in the Waterfront Hall. The overall theme was 'How to Raise Equity Capital for Early Stage Companies in a Challenging Environment'. The event was opened by Arlene Foster MLA, Minister for Enterprise, Trade and Investment and was attended by 240 delegates including, for the first time, representatives from all the active venture capital funds in Ireland and Northern Ireland.

### Entrepreneurship Masterclass Series

InterTradelreland has developed a network of successful entrepreneurs with the objective of using their skills and expertise to assist growth companies through a series of masterclasses. Four masterclasses were held in 2010, designed for companies in the ICT, Food and Retail Sectors and drawing speakers such as John Collins (Original Solutions), Peter Shields (EG Consulting), Michael Hoey (Country Crest), Brian Irwin (Irwin's Bakery), Sean Baker (Irish Software Association), Brendan Mooney (Kainos), Michael Geurin (Medicare) and John O'Neill (Heaton's).

### Ernst & Young Entrepreneur of the Year

In 2010 InterTradelreland provided support to the Ernst & Young Entrepreneur of the Year awards, including representation on the judging panel. First Derivatives, the Newry-based Financial Services Software company was announced as the overall winner of the competition at the final at the end of October.

## Trade

### Acumen

Acumen is a cross-border trade programme designed by InterTradelreland to stimulate cross-border business for small and medium enterprises in Ireland and Northern Ireland. The programme provides tailored consultancy and salary support packages. An additional 79 companies joined the programme during 2010. Companies which completed their projects reported total additional sales revenue of £8.96M/€10.1M and the creation of 53 new jobs as a direct result of their participation.

**Company Case Study: Gem Pack Foods** is based in Mulhuddart in Dublin and their product range covers dried fruit, rices, cereals, desserts and also sugar, salt, pepper sachets under the Gem and Gold Seal brands and own-label products for leading multiples. Through InterTradelreland's Acumen programme, the company appointed an Antrim-based salesperson with the objective of increasing brand presence, awareness and sales in the Northern Ireland market. The project proved very successful, with cross-border sales figures increasing five-fold to €750,000 and the full range of Gem products now being sold throughout Northern Ireland, in addition to their home market and markets in Asia and New York.

### First Stop Shop

The First Stop Shop is an InterTradelreland service designed to assist and advise businesses on issues of cross-border trade and business development. Key elements of this service include:

- A Simple Guide to Cross-Border Business: A practical guide that provides answers to the most common financial and legal questions of operating a business on a cross-border basis.
- Trade Accelerator Vouchers: A financial support for companies to access professional advice in areas such as taxation, employment law, currency and business regulation.
- Market and Industry Information: The InterTradelreland Business Monitor and the interactive Trade Statistics information service provide extensive business, market and industry sector information.

### Go-2-Tender

Go-2-Tender gives businesses the confidence, knowledge and skills to tender successfully for public sector contracts, a market which is estimated to be worth £16Bn/€18Bn per annum. Public Procurement is seen to provide a very important business opportunity, especially for SME's during the current difficult trading conditions. During 2010 Go-2-Tender workshops took place in Banbridge, Londonderry, Mullingar, Galway, Belfast, Dungarvan and Dundalk. A total of 116 companies attended the events, with sectors as diverse as Tradable Services, Engineering, Construction and ICT represented. In 2010 companies that had previously attended workshops reported total additional sales of £15.5M/€17.4M through their participation on the programme.

### ABC Ireland

ABC Ireland is a Collaborative All-Island Network for the Life and Health Technologies Sector, engaging Academia, Businesses and Clinicians (ABC) to drive Innovation, Product Development and New Market Opportunities, in the two high-priority areas of Connected Health and Personalised Medicine. The network was officially launched in September 2010, and has hosted four workshops attended by more than 200 companies.



InterTradelreland and BioBusiness announce that it has developed a collaborative network across Academia, Business and Clinicians (ABC) stakeholders, to yield ground breaking innovations in Irish healthcare.

### All-Island Software Network

The All-Island Software Network project is a partnership between InterTradelreland, The Irish Software Association, Momentum (the Northern Ireland ICT Federation) and IT@Cork. In 2010 the Network engaged with more than 350 companies, focusing on improving competitiveness through activities and events in areas such as software testing methodologies, international sales capability and product management.

### Reminac

This business network project supported three companies in the development of a hand-held device that will remotely manage the monitoring of Asthma and Chronic Obstructive Pulmonary Disease (COPD). Development activity was successfully completed in 2009, with commercial success following quickly in America, Germany and in the UK where a tele-health company has included the product in its portfolio and has placed an initial order for 1,000 units.

### All-Island Polymer & Plastics Network

The All-Island Polymer & Plastics Network and their dedicated on-line resource have been operational since October 2007. The Network focused on delivering benefits to companies through benchmarking, training and up-skilling of employees, lean manufacturing, energy and waste best practice and innovation. Network activities for 2010 included a Best Practice visit to Boxmore Plastics, Cavan, in April 2010 and the publication of A Simple Guide to the Polymer & Plastics Sector. The guide includes a profile of the sector on the island, industry career and training opportunities, company case studies and signposting to funding supports available.

### Network & Getwork

Network & Getwork is a trade development initiative run by the Northern Ireland Chamber of Commerce and the Dublin Chamber of Commerce to encourage and assist companies in Ireland and Northern Ireland to explore cross border business opportunities with large procurement organisations. This two year programme, which completed in May, ran a series of Meet the Buyer events, two of which were held during 2010. The first event held in March in Dublin focused on the Construction, Engineering and Environmental Sector. The final event was held in May at the Waterfront Hall Belfast and in addition to the sectors represented at the Dublin event, included Public Sector buyers.

## Business and Economic Research

### Market report on the Microgeneration of Renewable Energy

The new market report was published in March 2010. The Microgeneration of renewable energy industry on island of Ireland is composed of a variety of business types, each of varying size, and dealing with different technologies and applications of renewable energy such as solar photovoltaic systems, ground source heat pumps, and wood pellet stoves. The report notes that this niche sector has real potential to become a large growth industry in the future, particularly as measures are required to address higher energy costs, energy security and carbon emissions. This is the first such market report available for this sector.

### Business Monitor

The InterTradelreland Business Monitor offers a unique survey of business sentiment surveying the views of 1000 owner/managers in Ireland and Northern Ireland every quarter. Since 2007 it has provided a review of business performance, intentions and future expectations alongside insights into the impact of the current economic downturn. In addition to standing business sentiment survey questions the Monitor also addresses additional themes. In 2010 these themes included the development of cross-border trade and co-operation, innovation, banks and access to finance, and the cost of doing business.



### Business Networks on the Island of Ireland

The objective of this study, overseen by a project steering group representing InterTradelreland, Enterprise Ireland, Department of Enterprise Trade and Employment, Forfás and Invest NI, was to assess the economic impact of networks and identify the best policies to support networks development. This study was completed in 2010 and will be published in Spring 2011. It was used in 2010 to inform the INTERREG IVA proposal on networking. The research shows the benefits of business networks both to the companies involved and to the wider economy. Engagement with business networks changes company behaviour including, for example, joint bidding on contracts, purchasing materials on a group basis and collaborative research and/or design activities. Through these and other network-related activities network members have benefited from increased sales, greater cost competitiveness and enhanced innovative endeavour.

### Environmental Regulation and Cross Border Trade and Business

InterTradelreland commissioned this research study and established a steering group with representatives from the Environmental Protection Agency (EPA), DETI and NI Environmental Agency to oversee the work. The study focused upon the barriers to cross-border trade and business for SMEs regarding the different interpretation and application of environmental legislation in Ireland and Northern Ireland. The research has identified ways to simplify SMEs compliance with relevant environmental regulations and publication of the report is expected in 2011.

### Infrastructure for an Island Population of Eight Million by 2030

This study was conducted in partnership with Engineers Ireland and the Irish Academy of Engineering, and was driven by a high level taskforce of 14 members with a strong North/South spread. The study estimates that the population of the island will reach 8 million in the 2030s and has identified a shortlist of infrastructure projects required to maintain competitiveness across the island within the context of the forecast Island Population of Eight Million. The report was published in February 2010.

### Market report on the Energy Management Sector

A new report focusing on the energy management industry was finalised by December 2010 with input from the Sustainable Energy Authority of Ireland and companies who participated in a business survey. This will be the first such report on this emerging sector and it is due to be published in 2011.

### Business and Carbon Measurement on the Island of Ireland

InterTradelreland, Invest NI and Enterprise Ireland commissioned a study to assess the risks and opportunities for businesses in Ireland and Northern Ireland arising from increasing stakeholder and market requirements for business-related Greenhouse Gas information. The results of this study will be published in 2011 following consultation with relevant bodies.

### All-Island Economic Forum – ‘Towards Recovery’

InterTradelreland delivered the second All-Island Economic Forum in Belfast on the 28th April 2010. The Forum provided the 90 delegates with a unique opportunity to hear from a range of experts, including Barry Eichengreen (University of California) and Linda Yueh (Oxford University) to discuss important regional economic issues in an international context, and specifically the possible shape of recovery and the challenges and opportunities which this provides. InterTradelreland is exploring ways to capitalise on the opportunities offered by the Economic Forum and on the recommendations made by the experts in terms of achieving greater competitiveness through North/South co-operation.



Barry Eichengreen (University of California) keynote speaker at the All-Island Economic Forum.

### US and All-Island Renewable Forum: Marine Energy and Smart Grid Workshop

InterTradelreland supported this workshop on marine renewable energy and smart grid together with the US embassy and the two departments. This major two-day event focused on developments in marine renewable energy and smart grid technology and aimed to create business and research opportunities between

Ireland, Northern Ireland and the U.S. The event was opened by the U.S Ambassador to Ireland, Dan Rooney and the Minister for Communications, Energy and Natural Resources in Ireland, Eamon Ryan TD. The workshop continued in Stormont, Belfast hosted by the Minister Enterprise Trade and Investment in Northern Ireland, Arlene Foster MLA. The event was a collaborative initiative between the US Embassy, InterTradelreland, Department of Communications Energy and Natural Resources, Department of Enterprise, Trade and investment, Enterprise Ireland, Invest NI, Sustainable Energy Authority of Ireland, Industrial Development Agency, Science Foundation Ireland and IBEC-CBI. It gathered around 120 participants including 30 American private and public representatives.

### Trade Statistics Website

In January 2010 InterTradelreland launched a new and enhanced statistics website that provides easy access to data concerning cross-border matters such as trade, tourism and transport flows. The new interactive website provides access to comparative historical trade data, and also a commentary from the largest business sentiment survey on the island, the InterTradelreland Business Monitor. New data on freight, road and rail transport will be added in January 2011.

There have been more than 40,000 total downloads of InterTradelreland business and economic research reports in 2010.

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**audited  
accounts**

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# InterTradelreland Audited Financial Statements Year Ended 31 December 2010

## 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 Innovation in Ireland. The Body was established on the 2nd of 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 2010 - 31 December 2010

The results of the Trade and Business Development Body are set out in detail on page 57-79. The deficit for the period was £219,341 (€255,686).

### Fixed Assets

Details of movement of fixed assets are set out in Note 8 and Note 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

The Body is implementing 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 Occurring After the Year End

There have been no significant events since the year end 31st December 2010, which would affect these accounts.

### Charitable Donations

There were no charitable donations made by the Trade and Business Development Body during 2010.

### Board Members

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

Dr David Dobbin CBE (Chairman)  
Mr John Fitzgerald (Vice Chairman)  
Mr Brendan Butler  
Mr Ray Doherty  
Mr Sean Gallagher  
Mr Jack Gilmour  
Mr Hugh Logue  
Mr Pádraig MacLochlainn  
Ms Patricia McKeown  
Dr Gerard O'Hare CBE  
Mr Tom Scott OBE  
Mr Vincent Parker  
Mr Pádraig MacLochlainn  
resigned from the Board on 5 March 2011

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 religious belief, gender, disability, race, political opinion, age, marital status, sexual orientation, or whether or not they have dependants.

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 2% 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; and
- 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 has undertaken Equality Impact Assessments, in key areas.

### Employee Involvement

The Body formally recognises 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. The total number of approved invoices paid during the year was 2,719. Ninety-eight percent of these 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 received necessary training.

### Energy Usage

#### Overview of Energy Usage in 2010

In 2010, InterTradelreland consumed 345,741 MWh of energy, consisting of:

- 135,325 MWh of electricity;
- 210,416 MWh of fossil fuels;
- 0MWh of renewable fuels.

### Actions Undertaken in 2010

In 2010 InterTradelreland undertook a range of initiatives to improve energy performance, including the virtualisation of the server environment, which contributed to an annual saving of 2,364 MWh of electricity.

### Actions Planned for 2011

In 2011 InterTradelreland intends to further improve energy performance by undertaking the following initiatives:

- Conserve use of electricity by switching off equipment where possible, which will save 1,000 MWh annually;
- Lower the heated room temperature by 0.5 degrees Centigrade where possible, which will save 500 MWh annually.

Liam Nellis  
Chief Executive  
21 June 2011

## 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 judgements 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; and
- 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  
21 June 2011

## Statement on Internal Control

### Scope of Responsibility

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 Managing Public Money Northern Ireland and Public Financial 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 Innovation 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 Purpose of the System of Internal Control

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 31st December 2010 and up to the date of approval of the annual report and accounts, and accords with the Finance Departments' guidance.



### Capacity to Handle Risk

The Body has adopted a formal policy on risk management and developed procedures for identifying, assessing and mitigating risks. Summarised reporting formats in the form of a risk register have been developed. The Audit Committee meets up to four times each year and reports to the board at the subsequent board meeting. A standing item on the Audit Committee agenda is the review of the risk register for accuracy, import and to ensure that all appropriate steps to control or mitigate risk are in place. The full risk register is formally considered by the full board annually.

Staff manage risk through a range of embedded procedures within the Body. These include financial and budgetary controls, documented systems and procedures around processes and activities, schemes of delegated authority, appropriate insurances, comprehensive procedures around evaluation and appraisal, the taking of legal advice when required and appropriate training in such areas as fraud awareness, evaluations and financial management. Interdepartmental or cross-directorate working and learning is actively encouraged and facilitated with the objective of reducing risk through awareness.

### The Risk and Control Framework

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 2010. Risk management has been incorporated more fully into the corporate planning and decision making processes of the Trade and Business Development Body.

### Review of Effectiveness

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 31 December 2010 included:

- The presentation of the Body's risk register to the Board.
- Review of the risk register by the Audit Committee at each meeting.
- Four meetings of the Audit Committee to consider and advise on matters arising around the system of internal control and the risk register.
- The application of a risk-based three year internal audit programme. Areas audited as an element of the 2010 Internal Audit Programme included Risk Management, Board Members and Senior Management Register of Interests, Programme Performance Management and Payroll. The overall opinion of the internal auditors in regard to the areas covered in their 2010 programme was that the processes in place are satisfactory.
- In early 2010, the InterTradelreland Audit Committee undertook a self assessment which was facilitated by the Internal Auditors and modelled along Treasury guidelines.

- An annual statement of assurance, in respect of 2010, from the Internal Auditors. They expressed the opinion that "the effectiveness of InterTradelreland's overall control environment, risk management procedures and governance framework is satisfactory";
- In late 2007, the Internal Auditors conducted a Fraud Risk Assessment. They concluded that ITI's "overall vulnerability to risk is low". In early 2011, a further fraud risk assessment was undertaken by the internal auditors, which concluded that ITI has "a low fraud risk exposure";
- The application of delegated sanctions agreed by Sponsoring Departments DETI Ireland and DETI Northern Ireland and respective Departments of Finance (DOF and DFP).
- The application of the provisions of the Financial Memorandum in conjunction with the above departments;
- 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 Innovation, InterTradeIreland is required to provide the Departments with such returns of information relating to its proceedings or undertakings as the Sponsor Departments may from time to time require. For such purposes the Body shall permit any person authorised by the Sponsor Departments to inspect and make copies of their accounts, books, documents, data and records and shall afford such explanation as that person or the Sponsor Departments may require.

Liam Nellis  
Chief Executive  
21 June 2011

## 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 of the Trade and Development Body ('the Body') for the year ended 31 December 2010 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. The accounts comprise the Income and Expenditure Account, the Statement of Total Recognised Gains and Losses, the Balance Sheet, the Cash Flow Statement and the related notes and appendices. These accounts have been prepared under the accounting policies set out within them.

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

As explained more fully in the Statement of Responsibilities, the Body is responsible for the preparation of the accounts and for being satisfied that they give a true and fair view. The Chief Executive, as Accountable Officer, is responsible for ensuring propriety and regularity in relation to the use of public funds. Our responsibility is to audit and certify the accounts in accordance with the provisions of the North/South Co-operation (Implementation Bodies) (Northern Ireland) Order 1999 and the British-Irish Agreement Act 1999. We conducted our audit in accordance with International Standards on Auditing (UK and Ireland). Those standards require us and our staff to comply with the Auditing Practices Board's Ethical Standards for Auditors.

### **Scope of the audit of the accounts**

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

In addition, we are required to obtain evidence sufficient to give reasonable assurance that the expenditure and income reported in the accounts have been applied for the purposes intended by the Northern Ireland Assembly and Dáil Éireann and that the financial transactions conform to the authorities which govern them.

### **Opinion on Regularity**

In our opinion, in all material respects, the expenditure and income have been applied for the purposes intended by the Northern Ireland Assembly and Dáil Éireann and the financial transactions conform to the authorities which govern them.



### Opinion on the accounts

In our opinion:

- the accounts give a true and fair view, of the state of the Body's affairs as at 31 December 2010, and of its deficit, total recognised gains and losses and cash flows for the year then ended; and
- the accounts have been properly prepared in accordance with the provisions of the North/South Co-operation (Implementation Bodies) (Northern Ireland) Order 1999 and the British-Irish Agreement Act 1999 and directions issued thereunder.

### Opinion on other matters

In our opinion the information in the Foreword for the financial year for which the accounts are prepared is consistent with the accounts.

### Matters on which we report by exception

We report by exception if:

- adequate accounting records have not been kept; or
- the accounts are not in agreement with the accounting records; or
- we have not received all of the information and explanations we require for our audit; or
- the Statement on Internal Control does not reflect compliance with applicable guidance on corporate governance.

We have nothing to report in respect of those matters upon which reporting is by exception.

John Buckley  
Irish Comptroller and Auditor General  
Dublin Castle  
Dublin 2  
Ireland

23 June 2011

Kieran Donnelly  
Comptroller and Auditor General  
for Northern Ireland  
106 University Street  
Belfast  
BT7 1EU

23 June 2011

### InterTradeIreland Income and Expenditure Account for Financial Year 1 January 2010 - 31 December 2010

	Notes	2010	2009	2010	2009
		£	£	€	€
<b>Income</b>					
Revenue Grants from Departments	2	10,460,473	11,960,155	12,193,773	13,428,862
Capital Grant Release from Departments	13.2	36,746	35,308	42,835	39,644
Other Operating Income	3	53,341	37,138	62,179	41,699
<b>TOTAL INCOME</b>		<b>10,550,560</b>	<b>12,032,601</b>	<b>12,298,787</b>	<b>13,510,205</b>
<b>Expenditure</b>					
Staff Costs and Board Remuneration	4	2,198,045	1,949,381	2,562,260	2,188,765
Depreciation	8,9	36,746	35,308	42,835	39,644
Other Operating Costs	6	1,054,530	1,321,705	1,229,266	1,484,011
Programme Costs	7	7,478,439	7,840,373	8,717,616	8,803,172
		<b>10,767,760</b>	<b>11,146,767</b>	<b>12,551,977</b>	<b>12,515,592</b>
(Deficit)/Surplus before tax		(217,200)	885,834	(253,190)	994,613
Corporation Tax Payable	6 (b)	(2,141)	(4,037)	(2,496)	(4,533)
<b>(Deficit)/Surplus for the period</b>		<b>(219,341)</b>	<b>881,797</b>	<b>(255,686)</b>	<b>990,080</b>
<b>(Deficit)/Surplus for period transferred to General Fund</b>		<b>(219,341)</b>	<b>881,797</b>	<b>(255,686)</b>	<b>990,080</b>
<b>Statement of Total Recognised Gains and Losses</b>					
(Deficit)/Surplus for the year		(219,341)	881,797	(255,686)	990,080
Actuarial (losses)/gains	15.5	62,160	(757,143)	72,460	(850,120)
Adjustment to Deferred Pension Funding		(62,160)	757,143	(72,460)	850,120
<b>Total recognised (loss)/gain for the year</b>		<b>(219,341)</b>	<b>881,797</b>	<b>(255,686)</b>	<b>990,080</b>

All amounts above relate to continuing activities. The notes on pages 61 to 79 form part of these accounts.

## InterTradeIreland Balance Sheet as at 31 December 2010

	Notes	2010	2009	2010	2009
<b>Fixed Assets</b>		£	£	€	€
Intangible Assets	8	30,013	15,777	34,869	17,765
Tangible Assets	9	64,422	76,578	74,845	86,227
		94,435	92,355	109,714	103,992
<b>Current Assets</b>		£	£	€	€
Debtors	10	212,778	178,595	247,205	201,098
Cash at bank and in hand	14.2	4,096,223	4,378,817	4,758,992	4,930,548
		4,309,001	4,557,412	5,006,197	5,131,646
<b>Current Liabilities</b>		£	£	€	€
Creditors - amounts due in less than one year	11	2,218,948	2,341,604	2,577,972	2,636,645
Provisions - amounts due in less than one year	12	647,670	554,084	752,463	623,899
		2,866,618	2,895,688	3,330,435	3,260,544
<b>Net Current Assets/(Liabilities)</b>		<b>1,442,383</b>	<b>1,661,724</b>	<b>1,675,762</b>	<b>1,871,102</b>
Total Assets Less Current Liabilities Before Pensions		1,536,818	1,754,079	1,785,476	1,975,094
Pension Liabilities	15.2	(4,447,255)	(3,920,515)	(5,166,821)	(4,414,500)
Deferred Pension Funding		4,447,255	3,920,515	5,166,821	4,414,500
<b>Total Assets Less Total Liabilities</b>		<b>1,536,818</b>	<b>1,754,079</b>	<b>1,785,476</b>	<b>1,975,094</b>
Financed by :					
<b>Capital and Reserves</b>		£	£	€	€
<b>General Fund</b>	13.1	1,442,383	1,661,724	1,675,762	1,871,102
<b>Capital Grant Reserve</b>	13.2	94,435	92,355	109,714	103,992
		<b>1,536,818</b>	<b>1,754,079</b>	<b>1,785,476</b>	<b>1,975,094</b>

The notes on pages 61 to 79 form part of these accounts.

Liam Nellis  
Chief Executive  
21 June 2011

## Cash Flow Statement for the year 1 January 2010 - 31 December 2010

	Notes	2010	2009	2010	2009
<b>Operating Activities</b>		£	£	€	€
Net cash inflow/(outflow) from Operating Activities	14.1	(288,758)	627,955	(178,901)	1,049,626
<b>Returns On Investments and servicing of Finance</b>		£	£	€	€
Interest Receivable		10,201	19,926	11,891	22,373
<b>Capital expenditure and financial investment</b>		£	£	€	€
Payments to acquire Fixed Assets		(38,826)	(27,512)	(45,259)	(30,890)
<b>Taxation</b>		£	£	€	€
Corporation Tax Paid		(4,037)	(20,174)	(4,546)	(20,849)
<b>Financing</b>		£	£	€	€
Grant Received for Capital Purposes	8,9	38,826	27,512	45,259	30,890
<b>Increase/(Decrease) in Cash</b>		<b>(282,594)</b>	<b>627,707</b>	<b>(171,556)</b>	<b>1,051,150</b>

The notes on pages 57 to 75 form part of these accounts.

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2010

### 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 (as amended by the Companies (Northern Ireland) Order 1990), the Companies Acts 1963 to 2009 of Ireland, the accounting standards issued or adopted by the Accounting Standards Board, and accounting and disclosure requirements issued by the Department of Finance and Personnel, and by the Department of Finance, in so far 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:
- |                                |                                   |
|--------------------------------|-----------------------------------|
| <b>Software Licences</b>       | <b>20% Straight Line</b>          |
| <b>Office Equipment</b>        | <b>15% Straight Line</b>          |
| <b>Fixtures &amp; Fittings</b> | <b>15% Straight Line</b>          |
| <b>Computer Equipment</b>      | <b>33.33% Straight Line</b>       |
| <b>Leasehold Improvements</b>  | <b>Remainder of life of lease</b> |
- c) A capitalisation threshold of £500 has been applied in the accounts during 2010.

#### 1.3 Pension Costs

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.

Financial Reporting Standard (FRS) 17 covers retirement benefits. The liability at 31 December 2010 has been included in the financial statements and a disclosure note has been included (Note 15) detailing the actuarial review calculations, which were carried out by Xafinity Consulting. This includes the results of the calculations of the pension liabilities and costs of employees (and ex-employees) of InterTradeIreland for the purposes of the accounts for the year ended 31 December 2010 and comparative figures for 2009.

Pension costs reflect pension benefits earned by employees in the period. An amount corresponding to the pension charge is recognised as income to the extent that it is recoverable, and offset by grants received in the year to discharge pension payments. Pension liabilities represent the present value of future pension payments earned by staff to date. The actuarial basis of measuring pension liabilities is on the projected unit method.

Actuarial gains and losses arising from changes in actuarial assumptions and from experience surpluses and deficits are recognised in the Statement of Total Recognised Gains and Losses.

FRS 17 was applied in conjunction with the payment of Accruing Superannuation Liability Charges (ASLCs) during 2009, and hence the Body has accounted for the ASLC payment for the period January-March 2009, in addition to the FRS17 pension cost, in accordance with guidance agreed by the Dept of Finance and Personnel in Northern Ireland, Dept of Finance in Ireland, and the Comptroller and Auditor Generals in both jurisdictions.

#### 1.4 Deferred Pension Funding

In accordance with accounting practice for non-commercial State bodies in Ireland, InterTradelreland recognises an asset representing resources to be made available by the UK and Irish Exchequers for the unfunded deferred liability for pensions on the basis of a number of past events. These events include the statutory backing for the superannuation schemes, and the policy and practice in relation to funding public service pensions in both jurisdictions including the annual estimates process. While there is no formal agreement and therefore no guarantee regarding these specific amounts with the funding bodies, InterTradelreland has no evidence that this funding policy will not continue to progressively meet this amount in accordance with current practice. This treatment is inconsistent with accounting practice for UK Non-Departmental Bodies, where, due to the absence of a formal guarantee, a funding liability is not recognised until the commitment falls due.

#### 1.5 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.

#### 1.6 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 closing rate used for the Balance Sheet was £1=€1.1618 (2009:£1=€1.126) and the average rate used for the Income and Expenditure Account was £1=€1.1657 (2009:£1=€1.1228). Both these rates are the European Central Bank exchange rates.

#### 1.7 Grant Expenditure

Grant expenditure is recognised in the period in which the grant supported activity takes place. Where the full amount of the grant has not been claimed by the year end, a liability is recognised based on amounts estimated by InterTradelreland programme managers, according to their assessment of project progress. Where the amount of the liability, and the date of payment, is known with certainty, the liability is accounted for as an accrual, and disclosed in creditors (Note 11). Where both the amount and the timing of payment are uncertain, the liability is provided for as a provision and disclosed within provisions (Note 12).

#### 1.8 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.

#### 1.9 Commitments

Commitments represent contractual obligations in future years in respect of contracts existing at the year end (Note 16).

Any liabilities which relate to project activity in the current year are provided for as accruals or provisions, as deemed appropriate.

#### 1.10 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 2010 - 31 December 2010

	Notes	DETI (Northern Ireland)	DETI (Northern Ireland)	DETI (Ireland)	DETI (Ireland)	Total	Total
		£	€	£	€	£	€
Revenue Grant		3,347,244	3,839,722	6,653,227	7,817,827	10,000,471	11,657,549
Net deferred funding for pensions							
- service costs	15.4	75,469	87,974	150,938	169,473	226,407	263,923
- interest on scheme liabilities	15.4	77,865	90,767	155,730	174,854	233,595	272,302
		<b>3,500,578</b>	<b>4,018,463</b>	<b>6,959,895</b>	<b>8,162,154</b>	<b>10,460,473</b>	<b>12,193,773</b>
Capital Grant		12,942	15,086	25,884	30,173	38,826	45,259
		<b>3,513,520</b>	<b>4,033,550</b>	<b>6,985,779</b>	<b>8,192,327</b>	<b>10,499,299</b>	<b>12,239,033</b>

## 2.2 Financial Year 1 January 2009 - 31 December 2009

	Notes	DETI (Northern Ireland) £	DETI (Northern Ireland) €	DETI (Ireland) £	DETI (Ireland) €	Total £	Total €
Revenue Grant		4,461,346	4,960,523	7,132,956	8,057,559	11,594,302	13,018,082
Net deferred funding for pensions							
- service costs	15.4	51,486	57,808	102,970	115,615	154,456	173,423
- interest on scheme liabilities	15.4	61,898	69,499	123,794	138,996	185,692	208,495
Non cash revenue grant - ASLCs		25,705	28,862	-	-	25,705	28,862
		<b>4,600,435</b>	<b>5,116,692</b>	<b>7,359,720</b>	<b>8,312,170</b>	<b>11,960,155</b>	<b>13,428,862</b>
Capital Grant		9,171	10,297	18,341	20,593	27,512	30,890
		<b>4,609,606</b>	<b>5,126,989</b>	<b>7,378,061</b>	<b>8,332,763</b>	<b>11,987,667</b>	<b>13,459,753</b>

The Body was paid grants from money voted by the Northern Ireland Assembly and Dáil Éireann. NSMC, with the approval of Finance Ministers, recommended that the grants should be split on a 2:1 basis - DETI Ireland(2) and DETI Northern Ireland(1).

The Non-cash Revenue grant represents revenue grant funding which has been abated by the sponsor Department, in respect of employer pension contributions due.

## 3. Other Operating Income in Financial Year 1 January 2010 - 31 December 2010

Other Operating Income Comprises:

	2010 £	2009 £	2010 €	2009 €
Bank interest received	10,201	19,926	11,891	22,373
Conference Income	43,140	16,881	50,288	18,954
Sundry Income	-	331	-	372
	<b>53,341</b>	<b>37,138</b>	<b>62,179</b>	<b>41,699</b>

## 4. Staff Costs and Board Remuneration in Financial Year 1 January 2010 - 31 December 2010

(a) The average monthly number of employees (full time equivalent) per directorate was:		2010	2009
Permanent Staff	- Corporate Services & CEO Office	13	14
	- Policy	10	10
	- Operations	17	16
Agency/Temporary staff		1	2
		<b>41</b>	<b>42</b>

The average monthly number of employees includes new staff that were recruited during the year. The figures do not include student placements.

(b) The costs incurred in respect of these employees were:	Notes	2010 £	2009 £	2010 €	2009 €
Salaries & Wages		1,415,959	1,324,023	1,650,583	1,486,613
Social Security Costs		90,822	81,771	105,871	91,812
Other Pension Costs -					
- Current service costs	15.4	226,407	154,456	263,923	173,423
- Interest on Pension Scheme liabilities	15.4	233,596	185,692	272,303	208,495
- Permanent Employee Accruing Superannuation Liability Charges (ASLC)		-	25,705	-	28,862
- Death-in-Service payment		97,340	-	113,469	-
Amounts payable in respect of Agency/Temporary staff		51,276	83,548	59,772	93,808
<b>Total Staff Costs</b>		<b>2,115,400</b>	<b>1,855,195</b>	<b>2,465,921</b>	<b>2,083,013</b>
Board Remuneration		82,645	94,186	96,339	105,752
<b>Total Board Costs</b>		<b>82,645</b>	<b>94,186</b>	<b>96,339</b>	<b>105,752</b>
<b>Total Board and Staff Costs</b>		<b>2,198,045</b>	<b>1,949,381</b>	<b>2,562,260</b>	<b>2,188,765</b>

The accounting policy for pensions is detailed in Note 1.3 and 1.4. In accordance with Departmental guidance, ASLC costs are recognised in addition to the FRS17 pension costs, for periods where FRS17 is applied in conjunction with the payment of ASLCs. This applies in respect of the period January to March 2009 only.

## (c) Number of employees whose emoluments for the twelve months ending 31 December 2010 fell within the following bands:

	2010	2009
£40,000 - 49,999	4	4
£50,000 - 59,999	2	1
£60,000 - 69,999	0	1
£70,000 - 79,999	0	0
£80,000 - 89,999	1	1
£90,000 - 99,999	0	0

(d) The Remuneration of the Chief Executive and Senior Management team, was as follows:

	Salary 2010	Salary 2010	Salary 2009	Salary 2009
	£	€	£	€
Chief Executive: Mr Liam Nellis	84,630	98,653	85,530	96,033
Mr Laurence Lord	Consent Withheld	Consent Withheld	Consent Withheld	Consent Withheld
Mr Aidan Gough	58,390	68,066	61,778	69,364
Ms Margaret Hearty	Consent Withheld	Consent Withheld	Consent Withheld	Consent Withheld

The Chief Executive and Senior Management team did not receive benefits in kind during the years 2010 or 2009.

(e) Details of Remuneration of the Chairman and Board Members who served during the course of the year was as follows:

	Fees 2010	Fees 2010	Fees 2009	Fees 2009
	£	€	£	€
Dr David Dobbin CBE (Chairman)	8,570	-	9,520	-
Mr John Fitzgerald (Vice-Chairman)	-	10,350	-	11,500
Mr Brendan Butler	-	8,100	-	9,000
Mr Ray Doherty	-	8,100	-	9,000
Mr Sean Gallagher	-	8,100	-	9,000
Mr Jack Gilmour	5,510	-	6,120	-
Mr Hugh Logue	-	8,100	-	9,000
Mr Pádraig MacLochlainn	-	8,100	-	9,000
Ms Patricia McKeown	5,510	-	6,120	-
Dr Gerard O'Hare CBE	5,510	-	6,120	-
Mr Vincent Parker	5,510	-	255	-
Mr Tom Scott OBE	5,510	-	6,120	-

The Chairman and the Board members did not receive any benefits in kind during the years 2010 or 2009. Pádraig MacLochlainn resigned from the Board on 5 March 2011.

(f) Pension details of the Chief Executive and Senior Management team as at 31 December 2010:

	Real increase/ (decrease) in pension and related lump sum at age 60 in 2010	Total accrued pension at age 60 at 31 December 2010	Real increase in pension and related lump sum at age 60 in 2009	Total accrued pension at age 60 at 31 December 2009
	£'000	£'000	£'000	£'000
Chief Executive : Mr Liam Nellis	0 - 2.5 plus 0 -2.5 lump sum	40 - 45	0 - 2.5 plus 5 -7.5 lump sum	35 - 40
Laurence Lord	Consent Withheld	Consent Withheld	Consent Withheld	Consent Withheld
Aidan Gough	(5 - 7.5) plus (5 - 7.5) lump sum	16 - 20	2.5 - 5 plus 12.5 - 15 lump sum	16 - 20
Margaret Hearty	Consent Withheld	Consent Withheld	Consent Withheld	Consent Withheld

## 5. Performance against key financial targets

The Department of Enterprise Trade and Investment and the Department of Enterprise Trade and Innovation 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 2010 - 31 December 2010**

	2010	2009	2010	2009
	£	£	€	€
Travel and Subsistence	54,897	67,065	63,993	75,301
Publications	27,318	5,887	31,845	6,610
Postage, Stationery, Telephone	52,338	55,952	61,011	62,823
Currency Loss / (Gain)	59,020	261,919	68,800	294,083
Rent and Rates	235,633	257,609	274,677	289,243
Heat, Light and Power	32,193	28,107	37,528	31,559
Maintenance	14,355	8,266	16,733	9,281
Promotion	206,229	309,257	240,401	347,234
Professional Fees	11,392	9,375	13,280	10,526
Meeting Costs	2,172	1,487	2,532	1,670
Internal Auditor's Remuneration	7,669	8,644	8,940	9,705
External Auditor's Remuneration	19,518	26,869	22,752	30,168
Recruitment Costs	23,391	50,393	27,266	56,581
Insurance	18,018	16,792	21,004	18,854
Pension Admin Costs	26,316	39,916	30,676	44,818
Office Expenses	3,981	8,059	4,641	9,049
Computer Expenses	160,078	74,054	186,603	83,148
Non-Capitalised Costs of Assets	422	1,567	492	1,759
Training	42,106	29,631	49,083	33,270
Equality	487	527	568	592
General Expenses	4,806	4,430	5,602	4,974
Bank Charges	(42)	52	(49)	58
Hosting Costs	2,265	4,194	2,641	4,709
Cleaning	16,081	18,260	18,746	20,502
Security Costs	31,883	31,374	37,166	35,227
Equipment Hire	2,003	2,019	2,335	2,267
<b>Total</b>	<b>1,054,530</b>	<b>1,321,705</b>	<b>1,229,266</b>	<b>1,484,011</b>

**6(b). Corporation Tax Payable in Financial Year 1 January 2010 - 31 December 2010**

	2010	2009	2010	2009
	£	£	€	€
Corporation Tax	2,141	4,037	2,496	4,533

A Corporation Tax liability arose in Intertradelreland in 2010, due to tax paid on the interest on savings within the bank accounts.

**7. Programme Costs in Financial Year 1 January 2010 - 31 December 2010**

7.1 InterTradelreland Costs	2010	2009	2010	2009
	£	£	€	€
Trade: Programmes & Initiatives	760,250	1,220,144	886,223	1,369,978
Science Technology & Innovation	1,776,801	2,488,466	2,071,217	2,794,050
Economic and Policy Research	263,052	459,032	306,640	515,401
7.2 Financial Assistance to Other Organisations				
Fusion	1,887,274	1,906,133	2,199,995	2,140,206
Acumen	586,559	537,669	683,752	603,695
Equity/Venture Capital	236,403	313,762	275,575	352,292
Innova	1,906,144	723,219	2,221,992	812,031
ABC Ireland	61,256	-	71,406	-
REMCA/Reminac	700	37,909	816	42,564
Polymer & Plastics	-	69,695	-	78,254
All Island Digital Media Forum	-	44,162	-	49,585
WITS - Wiser Workforce	-	34,963	-	39,257
Pilot Programme Initiatives	-	5,218	-	5,859
<b>Total</b>	<b>7,478,439</b>	<b>7,840,373</b>	<b>8,717,616</b>	<b>8,803,172</b>

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 £586,559 (2009:£537,669) 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 £98,623. Any monies not recouped from Invest NI in the period under review are accounted for in the balance sheet as debtors. These monies have been netted against the financial assistance programme costs above.

## 8. Intangible Assets in Financial Year 1 January 2010 - 31 December 2010

	Software Licences	Total	Total
Cost or Valuation	£	£	€
At 1 January 2010	28,656	28,656	32,267
Additions	22,487	22,487	26,213
Disposals	-	-	-
<b>At 31 December 2010</b>	<b>51,143</b>	<b>51,143</b>	<b>58,480</b>
Depreciation	£	£	€
At 1 January 2010	12,879	12,879	14,502
Provision for Year	8,251	8,251	9,618
Disposals	-	-	-
<b>At 31 December 2010</b>	<b>21,130</b>	<b>21,130</b>	<b>24,120</b>
<b>Net Book Value at 31/12/10</b>	<b>30,013</b>	<b>30,013</b>	<b>34,360</b>
Currency Translation Adjustment	-	-	509
<b>Net Book Value at 31/12/10</b>	<b>30,013</b>	<b>30,013</b>	<b>34,869</b>
<b>Net Book Value at 31/12/09</b>	<b>15,777</b>	<b>15,777</b>	<b>17,765</b>

## 9. Fixed Assets in Financial Year 1 January 2010 - 31 December 2010

	Leasehold Improvements	Fixtures & Fittings	Office Equip.	Computer Equip.	Total	Total
Cost or Valuation	£	£	£	£	£	€
At 1 January 2010	145,225	74,857	72,093	312,900	605,075	681,315
Additions	-	734	1,340	14,265	16,339	19,046
Disposals	-	-	-	(99,284)	(99,284)	(115,735)
<b>At 31 December 2010</b>	<b>145,225</b>	<b>75,591</b>	<b>73,433</b>	<b>227,881</b>	<b>522,130</b>	<b>584,626</b>
Depreciation	£	£	£	£	£	€
At 1 January 2010	121,880	60,550	69,351	276,716	528,497	595,088
Provision for Year	3,471	3,225	800	20,999	28,495	33,217
Disposals	-	-	-	(99,284)	(99,284)	(115,735)
<b>At 31 December 2010</b>	<b>125,351</b>	<b>63,775</b>	<b>70,151</b>	<b>198,431</b>	<b>457,708</b>	<b>512,570</b>
<b>Net Book Value at 31/12/10</b>	<b>19,874</b>	<b>11,816</b>	<b>3,282</b>	<b>29,450</b>	<b>64,422</b>	<b>72,056</b>
Currency Translation Adjustment	-	-	-	-	-	2,789
<b>Net Book Value at 31/12/10</b>	<b>19,874</b>	<b>11,816</b>	<b>3,282</b>	<b>29,450</b>	<b>64,422</b>	<b>74,845</b>
<b>Net Book Value at 31/12/09</b>	<b>23,345</b>	<b>14,307</b>	<b>2,742</b>	<b>36,184</b>	<b>76,578</b>	<b>86,227</b>

## 10. Debtors (amounts due within one year)

	2010	2009	2010	2009
	£	£	€	€
Other Debtors	140,847	73,187	163,636	82,409
Prepayments and accrued income	71,931	105,408	83,569	118,689
<b>Total</b>	<b>212,778</b>	<b>178,595</b>	<b>247,205</b>	<b>201,098</b>

## 11. Creditors (amounts falling due less than one year)

	2010	2009	2010	2009
	£	£	€	€
Trade Creditors	403,761	475,817	469,090	535,770
Accruals	1,813,046	1,821,871	2,106,386	2,051,425
Other Creditors	-	39,879	-	44,904
Corporation Tax	2,141	4,037	2,496	4,546
<b>Total</b>	<b>2,218,948</b>	<b>2,341,604</b>	<b>2,577,972</b>	<b>2,636,645</b>



## 12. Provisions

	2010	2009	2010	2009
	£	£	€	€
Provisions (amounts falling due less than one year)				
Opening Balance	554,084	1,320,474	623,899	1,365,634
Provided in the Year	647,670	530,208	754,989	595,318
Provisions not required written back	(15,384)	(98,348)	(17,933)	(110,425)
Provisions Utilised in the Year	(538,700)	(1,198,250)	(627,963)	(1,345,395)
Difference on Foreign Exchange Translation	-	-	19,471	118,767
<b>Closing balance</b>	<b>647,670</b>	<b>554,084</b>	<b>752,463</b>	<b>623,899</b>

The above provisions represent grants estimated by InterTradelreland to arise as a result of grant supported activity which took place in the year but which have not yet been claimed by grantees. They arise under the following programmes: INNOVA, Acumen, and FUSION.

## 13. Reserves

13.1 General Fund	2010	2009	2010	2009
	£	£	€	€
General Fund Opening Balance	1,661,724	779,927	1,871,102	806,600
Surplus/(Deficit) for the year	(219,341)	881,797	(255,686)	990,080
Difference on Foreign Exchange Translation	-	-	60,346	74,422
<b>General Fund Closing Balance</b>	<b>1,442,383</b>	<b>1,661,724</b>	<b>1,675,762</b>	<b>1,871,102</b>

13.2 Capital Grant Reserve	2010	2009	2010	2009
	£	£	€	€
Opening Balance	92,355	100,541	103,992	103,979
Capital Grants Received	38,826	27,512	45,259	30,890
Less: Transfer to Income & Expenditure	(36,746)	(35,308)	(42,835)	(39,644)
Adjustment for Fixed Asset Disposal	-	(390)	-	(438)
Difference on Foreign Exchange Translation	-	-	3,298	9,205
<b>Capital Grants Reserve Closing Balance</b>	<b>94,435</b>	<b>92,355</b>	<b>109,714</b>	<b>103,992</b>

## 14. Notes to Cash Flow Statement

### 14.1 Reconciliation of surplus for the Financial Year 1 January 2010 - 31 December 2010 to net cash inflow from operating activities

	2010	2009	2010	2009
	£	£	€	€
Surplus/(Deficit) for the year before tax paid	(217,200)	885,834	(253,190)	994,613
Depreciation	36,746	35,308	42,835	39,644
Transfer from Capital Grant Reserve	(36,746)	(35,308)	(42,835)	(39,644)
Bank Interest Receivable	(10,201)	(19,926)	(11,891)	(22,373)
Decrease/(Increase) in debtors	(34,183)	(67,885)	(46,107)	(86,601)
(Decrease)/increase in creditors (excluding Corporation Tax Creditor)	(27,174)	(170,068)	71,941	89,565
Difference on Foreign Exchange Translation	-	-	60,346	74,422
<b>Net cash inflow from operating activities</b>	<b>(288,758)</b>	<b>627,955</b>	<b>(178,901)</b>	<b>1,049,626</b>

### 14.2 Reconciliation of net cash inflow to movement in net debt

	2010	2009	2010	2009
	£	£	€	€
Cash at Bank and in hand at 1 January 2010	4,378,817	3,751,110	4,930,548	3,879,398
Net Cash Inflow	(282,594)	627,707	(171,556)	1,051,150
<b>Cash at Bank and in hand at 31 December 2010</b>	<b>4,096,223</b>	<b>4,378,817</b>	<b>4,758,992</b>	<b>4,930,548</b>

## 15. Pensions

### 15.1 Accounting Treatment

For accounting periods ending on or after 1 January 2005, FRS 17 requires financial statements to reflect, at fair value, the assets and liabilities arising from an employer's obligations and any related funding and to recognise the costs of providing superannuation benefits in the accounting periods in which they are earned by employees. The information on pensions has been presented in line with new disclosure requirements required from 2008 under an amendment to FRS 17.

The effect of FRS 17 is to recognise as expenditure in the year the cost of pensions earned rather than the payments made to pensioners, and a corresponding funding amount. In addition the Balance Sheet recognises the cumulative liability for pensions earned by employees, together with a corresponding asset.

The valuation used for FRS 17 disclosures by Xafinity Consulting takes account of the requirements of FRS17 in order to assess the scheme liabilities at 31 December 2010. The financial assumptions used to calculate scheme liabilities are:

	31-Dec-10	31-Dec-09	31-Dec-08
<b>Discount rate</b>			
Northern Ireland:	5.40%	5.70%	6.40%
Ireland:	4.70%	5.10%	6.40%
<b>Rate of increase in Retail Prices Index</b>			
Northern Ireland:	3.40%	3.70%	2.90%
Ireland:	2.50%	2.50%	2.50%
<b>Rate of increase in salaries:</b>	4.00%	4.00%	4.00%
<b>Average rate of increase in pensions</b>			
Northern Ireland:	3.40%	3.70%	2.90%
Ireland:	2.50%	-	-
In line with salary increases	-	4.00%	4.00%
In line with CPI	-	2.50%	2.50%
<b>Average expected future life at age 65 for</b>			
Male currently aged 65	21.30	21.20	21.20
Female currently aged 65	23.90	23.80	23.80
Male currently aged 45	23.20	23.10	23.10
Female currently aged 45	25.80	25.70	25.70

15.2 Assets & Liabilities of the Scheme	2010	2009	2010	2009
	£	£	€	€
Total Value of Assets	-	-	-	-
Present Value of funded liabilities	-	-	-	-
Funded surplus/(deficit)	-	-	-	-
Irrecoverable surplus	-	-	-	-
Unfunded liabilities	(4,447,255)	(3,920,515)	(5,166,821)	(4,414,500)
Total surplus/(deficit)	(4,447,255)	(3,920,515)	(5,166,821)	(4,414,500)
Related deferred tax (liability)/asset	no allowance	no allowance	no allowance	no allowance
<b>Net asset/(liability)</b>	<b>(4,447,255)</b>	<b>(3,920,515)</b>	<b>(5,166,821)</b>	<b>(4,414,500)</b>

15.3 Reconciliation of the value of the scheme's liabilities	2010	2009	2010	2009
	£	£	€	€
Opening value of scheme's liabilities	3,920,515	2,807,737	4,414,500	2,903,762
Service cost	226,407	154,456	263,923	173,423
Past service cost	-	-	-	-
Member Contributions	23,336	22,600	27,203	25,375
Interest on scheme liabilities	233,596	185,692	272,303	208,495
Loss/(gain) on change of assumptions	163,262	914,644	190,315	1,026,962
Experience losses/(gains)	(225,422)	(157,501)	(262,774)	176,842
Loss/(gain) from change in exchange rates	-	-	-	-
Curtailment loss/(gain)	-	-	-	-
Settlements	-	-	-	-
Net transfers in/out of the scheme	107,158	(7,113)	124,914	7,986
Benefits paid	(1,597)	-	(1,862)	-
Difference on foreign exchange translation	-	-	138,299	261,311
<b>Closing value of scheme's liabilities</b>	<b>4,447,255</b>	<b>3,920,515</b>	<b>5,166,821</b>	<b>4,414,500</b>

15.4 Analysis of the amount charged to operating profit	2010	2009	2010	2009
	£	£	€	€
Service cost	226,407	154,456	263,923	173,423
Past service cost	-	-	-	-
Interest on scheme liabilities	233,596	185,692	272,303	208,495
Losses/(gains) on settlements and curtailments	-	-	-	-
<b>Total</b>	<b>460,003</b>	<b>340,148</b>	<b>536,225</b>	<b>381,918</b>

15.5 Amount recognised in the statement of recognised gains and losses	2010	2009	2010	2009
	£	£	€	€
Actuarial gains/(losses)	62,160	(757,143)	72,460	(850,120)
Decrease/(increase) in irrecoverable surplus	-	-	-	-
<b>Total</b>	<b>62,160</b>	<b>(757,143)</b>	<b>72,460</b>	<b>(850,120)</b>

#### 15.6 Cumulative actuarial gain or loss recognised in the STRGL

The cumulative actuarial loss recognised in the STRGL as at 31 December 2010 was £46,508.

#### 15.7 Contribution by the Body

The employer does not contribute to the scheme though the Body makes up the difference between the benefits paid over the year and the employee contributions.

15.8 Amounts for the current and previous two periods	2010	2009	2008	2010	2009	2008
	£	£	£	€	€	€
Scheme's unfunded liabilities	4,447,255	3,920,515	2,807,737	5,166,821	4,414,500	2,903,762
Surplus/(deficit)	(4,447,255)	(3,920,515)	(2,807,737)	(5,166,821)	(4,414,500)	(2,903,762)
Experience adjustment on liabilities including exchange rate effect Gain/(loss)	225,422	157,501	26,004	261,895	177,346	26,893

## 16. Capital Commitments

16.1 Capital commitments at 31 December 2010 for which no provision has been made	2010	2010
	£	€
Contracted	-	-
Authorised but not contracted	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

16.2 Other Commitments	2010	2010
	£	€
<b>Total</b>	<b>5,621,000</b>	<b>6,530,478</b>

This commitment relates mainly to letters of offer which were issued prior to the year end in respect of Acumen, FUSION and INNOVA, less grant payments already paid or accrued for at the year-end.

## 17. Contingent Liabilities

There were no contingent liabilities as at 31 December 2010.

## 18. 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 Innovation 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 Innovation 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

During 2009 a grant of £8,000 was awarded from the Acumen programme to Apex Fastening Solutions Ltd, a company controlled by a son of the Chief Executive of InterTradelreland, Liam Nellis. Mr Nellis formally stood down from any consideration of the application. During 2010 the company was paid the amount of £8,000 awarded in 2009, and its Acumen project has now been completed.

### (ii) Transactions Involving Board Members a) Beneficial Interests

The Body works with many private sector organisations including organisations in which Board Members may have a beneficial interest. Transactions during the year with such organisations, which were all conducted at arm's 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 2010
None		

#### Funding Provided to Companies

Board Member	Organisation	Amount Paid 2010
None		

#### 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
Dr David Dobbin CBE	InvestNI	Board Member

#### (iii) North / South Pension Scheme

The Chief Executive of InterTradelreland, Liam Nellis, is Chair of the CEO Committee of the North/South Pension Scheme. InterTradelreland pays for certain pension administration costs on behalf of the other North/South Bodies, and then recharges these bodies for the costs attributable to them, which are advised by the Scheme Administrators, Xafinity Consulting. In 2010, a total of £137,152 was recharged to the other North/South Bodies in respect of these pension administration costs.

### 19. Obligations Under Leases

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

Operating Leases which Expire	Land & Buildings				Other			
	2010 £'000	2010 €'000	2009 £'000	2009 €'000	2010 £'000	2010 €'000	2009 £'000	2009 €'000
Within One Year	-	-	-	-	2	2	-	-
In Two To Five Years	-	-	-	-	-	-	2	3
Over Five Years	195	226	191	215	-	-	-	-
<b>Total</b>	<b>195</b>	<b>226</b>	<b>191</b>	<b>215</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>3</b>

### 20. Losses and Special Payments

There have been no losses or special payments.

### 21. Financial Instruments, Liquidity, Interest Rate and Foreign Currency Risk

#### 21.1 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.

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

The Body's net revenue resource requirements are almost entirely financed by resources voted annually by the Assembly and the Oireachtas, as 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. As the Body receives two thirds of its funding from DETI Ireland, in euro, yet discharges the majority of its transactions in sterling it is exposed to foreign currency risk.

### 22. Third Party Assets

There were no third party assets held by the Body at 31 December 2010.

### 23. Post Balance Sheet Events

There have been no significant events since the year end 31 December 2010, which could affect these accounts.

## 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 COOPERATION (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; and
- 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 Department  
of Enterprise Investment Trade and Employment

A.W. Hamilton  
Ronald Long

21 June 2001

[Back to Contents](#)



InterTradelreland will endeavour to facilitate requests for alternative formats of this publication including Irish Language, Ulster Scots, Braille, disk and audio cassette.

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