

# 2013 Annual Review of Activities and Annual Accounts





# contents

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Joint Ministerial Foreword	4
Chairman's Introduction	6
Chief Executive's Message	8
Strategic Performance Summary	10
Corporate Plan 2011 - 2013	12
2013 Business Plan	14
Board Members	18
Organisation Profile	27

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Strategy and Key Performance Indicators	33
Business Plan Performance Report	37
Business Plan Targets	38
Performance V Targets	38
Programme Area Report	39

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Audited Accounts	49
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**Richard Bruton TD  
MINISTER FOR JOBS,  
ENTERPRISE AND  
INNOVATION**



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

## Joint Ministerial Foreword

We are pleased to present InterTradelreland's Annual Report for 2013, a year in which we have seen positive signs of recovery and growth, despite on-going challenges.

InterTradelreland has provided an important structural support system for companies during the past 14 years.

InterTradelreland's quarterly Business Monitors, which survey more than 1,000 companies from a range of sectors, indicate that although significant challenges remain, there are a significant number of firms reporting to be in growth mode. The percentage of businesses experiencing growth has jumped from 10% in the final quarter of 2012 to 40% for the same period in 2013.

This upward trend is consistent across all sectors but it is manufacturing and construction that have seen the largest positive change in performance. These industries, along with business services, are driving the recovery. Retail and leisure are showing more sluggish signs of growth but there have been indications of development which is of key importance. Overall this is promising news which demonstrates solid trading environments on both sides of the border.

As highlighted in a new report from the Organisation for Economic Co-Operation and Development (OECD), innovation-driven growth is a major objective of the post-crisis recovery. The opportunities provided by working with cross-border neighbours can help to support this goal. In 2013 InterTradelreland has continued to focus on developing an all-island innovation ecosystem that puts the firm right at its centre and connects it to the resources and support it needs from across the island to enable it to be more pioneering. This includes access to research institutions and other organisations on a cross-border basis as well as sources of finance to fund on-going innovation activity. This ecosystem is thriving and companies are seeing real benefits.

In 2013 InterTradelreland developed an innovative Horizon 2020 web portal and accompanying mobile App to help to foster collaboration - bringing together innovative SMEs, researchers, academic institutes and other organisations with the aim of accessing Horizon 2020 money. InterTradelreland will continue to provide the necessary supports to companies to enable them to prepare and to gain access to this crucial funding.

*“ Achievements from InterTradelreland this year have exceeded targets with 895 jobs created or protected by companies as a result of participation in the Body’s programmes.”*

Achievements from InterTradelreland this year have exceeded targets with 895 jobs created or protected by companies as a result of participation in the Body’s programmes, which is more than 345% above the target of 200 jobs. The strategic performance indicator target of an 8:1 return on investment with a business value achieved £56m/€68.3m was surpassed and has reached a 9:1 return on investment with a business value achieved of £62m/€75.6m.

Target figures for first time exporters were exceeded by more than 57% and the number of aspiring first time innovators more than doubled in 2013, which is excellent news for both economies.

Research projects undertaken by ITI this year have been relevant and up-to-date , including the recent ‘Access to Finance’ report which highlighted the routes to funding for small to medium enterprises and how best to take advantage of these opportunities.

In InterTradelreland’s 14 years, it has provided business information and advice to over 25,000 companies. Its programmes are targeted and provide tangible benefits to participating businesses, helping them to access a share of the £2.3bn/€2.8bn cross-border market.

InterTradelreland continues to encourage and stimulate cross-border trade and innovation, creating a ripple effect across both economies. We offer the CEO and Board our support for their undertakings and by working together, we are confident that further successes can be delivered in 2014.



Martin Cronin  
**CHAIRMAN**

## Chairman's Introduction

During 2013, InterTradelreland continued to deliver value to SMEs by helping them build their capacity to identify and develop new export customers, increase sales, diversify and improve their competitiveness through innovation.

In a challenging economic environment, I am pleased to report that for InterTradelreland's activities, the ratio of added value to expenditure in 2013 was 9:1, a very satisfactory outcome. InterTradelreland will continue to support small businesses to grow through cross-border trade and innovation and the number of companies seeking our support has never been greater. In 2013 we provided North South business information and advice to 3,395 companies through our range of trade and innovation initiatives.

Despite the recent austere times, entrepreneurs are adapting to the new economic reality and have continued to innovate and develop their businesses. Our goal is to ensure that we meet the needs of the SMEs of today and tomorrow and continue to be effective in assisting them. We undertake research which helps us to continuously improve the effectiveness of our business supports and to identify barriers to cross-border trade and business development and communicate them to government policy

makers. We published two significant pieces of research in 2013 – '*Access to Finance for growth for SMEs on the island of Ireland*' and '*Analysis of the key features of an exporting SME on the island of Ireland*'.

*'Access to Finance for growth for SMEs on the island of Ireland'*, provided the first reliable indication of the sources of funding available to SMEs from banks, government, venture capitalists and angel investors. This report identified a lack of diversity in financing opportunities for smaller businesses and that businesses are disproportionately reliant on short-term financing options, e.g., overdrafts, which are not always the best vehicle to finance growth strategies. There is a need to broaden the diversity of lending options to SMEs and to ensure that businesses are aware of their options and equipped to make informed choices.

*'Analysis of the key features of an exporting SME on the island of Ireland'*, identified key characteristics present in successful exporting SMEs and assessed the extent to which cross-border exporters have moved into other markets 'off the island'. The study found that the cross-border market is the first step into exporting for almost three quarters of businesses and that the

*“ Our challenge ahead is to help businesses to innovate and plan for growth by exploiting the opportunities that are on our doorstep.”*

experience gained trading cross-border acts as a stepping stone to further export markets. It was highlighted in the study that exporters have an ambition to grow, a strategic approach and are more innovative than firms without export activity. During 2013, a new Corporate Plan for the period 2014-2016 was adopted following extensive consultation with our sponsor Departments and other stakeholders.

We look forward to working in partnership with them to achieve our vision of creating an environment in which Ireland and Northern Ireland co-operate to ensure businesses are making full use of cross-border opportunities to drive competitiveness, growth and jobs.

Ambitious targets have been set for the period as we aim to engage more than 8,500 companies through our activities, and assist them to achieve £170m/€207m additional business development value.

Our challenge ahead is to help businesses to innovate and plan for growth by exploiting the opportunities that are on our doorstep. We will continue to work with business owners, business agencies, government bodies and investors to ensure that we address the changing needs of the business community and that our research continues to be accessible and of real value.

I would like to take this opportunity to formally thank the Chief Executive, Thomas Hunter McGowan and his team, who have worked diligently to deliver the best possible supports to SMEs and achieve more with fewer resources. I would also like to acknowledge on a personal and professional basis, the leadership and support of both Enterprise Ministers, Arlene Foster and Richard Bruton and their Departments which is important to us and to the businesses we support.

Finally I would like to thank the InterTradeIreland Board who have been extremely supportive of the work of the organisation throughout the year and acknowledge the service of three Board members, John Corbett, Mairead Sorenson and Dr Bridget Meehan, who stepped down this year. Their commitment has been greatly appreciated.

I would also like to take this opportunity to welcome our two new members, Rosemary Delaney and Professor Terri Scott, who are now active members of our Board.

I look forward to 2014 and the next stage for the organisation.



*Thomas Hunter McGowan*

Thomas Hunter McGowan  
**CHIEF EXECUTIVE**

## Chief Executive's Message

In my second year as Chief Executive of InterTradelreland, I am delighted to report that the targets set for the organisation in 2013 have been exceeded. Despite another difficult year for businesses, we have helped SMEs to generate £62m/€75.6m of new trade and business development value in 2013 with a positive jobs impact of 895. Our results demonstrate InterTradelreland's continued value in difficult times for both economies.

As we move towards what we hope will be a period of positive growth, InterTradelreland will continue to develop and shape responsive programmes and support initiatives that will foster entrepreneurship and innovation and provide the necessary resources for SMEs to drive growth within their businesses.

Continuing to work closely with sister agencies, Invest Northern Ireland and Enterprise Ireland, and with Enterprise Boards, Enterprise Agencies, Chambers of Commerce and other stakeholders, helps us to ensure that our initiatives are refined to provide specific, targeted business support for SMEs to drive cross-border trade, delivering a boost for both economies. In 2013 InterTradelreland provided practical advice and support to nearly 4,000 companies through

our range of trade and innovation programmes. We have helped 79 firms become first time exporters and 75 firms become first time innovators.

Our research agenda continues to explore issues of significant importance to Ireland and Northern Ireland. It makes an important contribution to wider policy debates in areas such as finance for growth and cross-border co-operation in innovation.

During the year, we hosted the largest Meet the Buyer events in InterTradelreland's history, one in Belfast and one in Dublin. Around 650 SMEs attended each event, where they got the opportunity to meet with more than 50 key public sectors buyers from Ireland and Northern Ireland. These events reached maximum capacity weeks in advance and provided SMEs with an insight into the tendering process and how they could gain access to the all-island public procurement market, currently worth an estimated £10/€12bn.

InterTradelreland held 15 tender workshops during the year, aimed at upskilling small firms to tender more successfully. Companies attending our 'Go-2-Tender' workshops gained a better

*“ Despite another difficult year for businesses, we have helped SMEs to generate £62m/€75.6m of new trade and business development value in 2013 with a positive jobs impact of 895.”*

understanding of the public sector market across the island and how to increase their chances of success. We launched our new tender consortia service this year, helping to partner firms so they can put together a stronger bid for contracts and new business. We look forward to reporting on successful collaborative bids over the coming months.

Our sales development programme, ‘Acumen’ designed to stimulate cross-border business for SMEs, initiated a total of 81 new projects in 2013 and reported business value of £13m/€15.9m, a jobs impact of 203 and a further 18 graduate jobs were created through new projects commencing.

Our innovation programme ‘FUSION’ approved an additional 68 company projects during 2013 and 51 graduate jobs were created through projects commencing. In 2013 ‘FUSION’ companies reported a business development value of £37m/€45m and a jobs impact of 275.

Through our ‘EquityNetwork’ initiative we aim to help transform equity raising businesses into first-class investor-ready companies, advising them on how to access funding, the sources available and how best to apply these funds.

Events such as our annual Venture Capital Conference and the ‘Seedcorn’ competition enable InterTradelreland to be at the forefront of advice and support for fledgling companies. ‘Seedcorn’ companies are instantly recognised as ‘the ones to watch’, within the investor-community.

With the successor to FP7, Horizon 2020 coming online in 2014 with €80 billion in funds for innovation and research projects, InterTradelreland continues to support businesses to collaborate and draw down funding through this initiative. This will continue to be a focus for us and our dedicated mobile ‘App’ has already proved to be a vital resource for companies interested in European funding opportunities.

Over the coming year we will strive to provide an even more responsive service than ever before. I am confident that this is fully achievable as our working relationships with stakeholders continue to strengthen. As I look forward to 2014, I would like to thank the Board and the wider InterTradelreland team for their continued support and I look forward to the challenges and rewards that lie ahead for the Body.



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**strategic  
performance  
summary**

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# Strategic Performance Summary

## Summary Performance Report - Corporate Plan 2011-2013

This 2013 Annual Report reports on the performance of the final year of InterTradelreland's Corporate Plan for 2011- 2013.

InterTradelreland's key strategic goals for the period 2011-2013 are:

- To increase the number of businesses involved in cross-border Trade and Innovation activity by 10,000 (through access to and exploitation of, InterTradelreland information, advisory services and business support programmes).
- To deliver a Return on Investment of 8:1.

The performance of each of our Trade and Innovation programmes is aggregated and reported against the following Key Performance Indicators defined for the period 2011-2013:

- Strategic Performance Indicator - [Return on Investment<sup>1</sup> 8:1] Business Value generated through InterTradelreland's North South Programmes.
- Key Performance Indicator 1 - Companies engaged in North South Business
- Key Performance Indicator 2 - Jobs Impact
- Key Performance Indicator 3 - First Time Exporters
- Key Performance Indicator 4 - First Time Innovators

<sup>1</sup> Return on Investment is the ratio of Business Value Generated by InterTradelreland programmes against the cost of delivering those programmes

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### **Key Achievements for Year 3 of the 2011- 2013 Corporate Plan:**

- Total Business Value<sup>2</sup> Achieved [& Return on Investment]. 2013: £62M/€75.6M<sup>3</sup> [9:1]
- We have provided North South business information and advice to 3,395 companies.
- 405 companies have participated on our North South Trade and Innovation programmes.
- Companies on our Trade and Innovation programmes have reported that 895 jobs have been created or protected as a result of their participation.
- 79 firms have become first time exporters.
- 75 firms have become first time innovators.
- 2 business and economic policy research reports have been published. There have been 2,821 downloads of these reports. 4 Business Monitor reports have been published.
- We continue to support micro businesses and SMEs in the development of innovation and export capability. We have designed a range of trade and innovation programmes that use cross-border collaborative opportunities to enhance a firms growth prospects: Innovation programmes such as Fusion, Challenge, Innova and EquityNetwork, and sales and marketing programmes such as Acumen, Elevate and Go-2-Tender.
- All our activities continue to be based on sound economic research.
- We have achieved efficiency savings of 9%.

<sup>2</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 InterTradeIreland programme. Business Value is captured through ITI monitoring activities and independent evaluations and is based on business values reported directly by individual companies that have previously completed our programmes.

<sup>3</sup> €1=£0.82 2013 Business Planning Guidance from DPER (Ireland) & DFP (Northern Ireland).

# Strategic Performance Summary

## Summary Performance Report - 2013 Business Plan

### 2013 Targets

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

Target: £56M/€68.3M 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: 4,000 additional companies engaged in developing their North South business capabilities through the utilisation of our business information and advisory services and through participation on our Trade and Innovation programmes.

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

Target: 200 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 [First Time Innovators]**

Target: 35 companies to become first time innovators through participation on an InterTradelreland Innovation programme.

## 2013 Performance against Business Plan Targets

**Table 1: 2013 Performance against Business Plan Targets.**

Reference	Measure	2013 Target	2013 Performance
Strategic Performance Indicator	Return on Investment [Business Value Achieved]	8:1 [£56M/€68.3M]	9:1 £62M/€75.6M
Key Performance Indicator 1	Additional companies engaged in cross border trade and business development	4,000	3,395
Key Performance Indicator 2	Jobs Impact	200	895
Key Performance Indicator 3	First Time Exporters	50	79
Key Performance Indicator 4	First Time Innovators	35	75



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**board  
members**

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## Board Members 2013



During 2013 InterTradeIreland had an Executive Board consisting of 12 members appointed by the North South Ministerial Council.

In 2013 there were three resignations from the Board - John Corbett, Mairead Sorensen and Bridget Meehan.

There were also two new appointments to the Board during this year – Professor Terri Scott and Rosemary Delaney on the 6th December 2013.

Board Members 2013 - Back row L to R - Mairead Sorensen, Timothy Mayes, Bridget Meehan, Jack Gallagher, Kevin Norton, Brendan Butler, Hubert Brown Kerr, Ray Hayden

Front row L to R : Patricia McKeown, Martin Cronin (Chair) and Joanne Spain (Vice Chair) Not in photograph : John Corbett

*Inset A* Professor Terri Scott

*Inset B* Rosemary Delaney

## BOARD MEMBERS



### MARTIN CRONIN - CHAIRMAN

Martin Cronin is a Board member at Appian Asset Management, the Tyndall National Institute and the Irish Academy of Engineering. He is also Chairman of the Steering Group of the Connacht – Ulster Alliance.

He was Chief Executive of Forfás, the Republic of Ireland's national enterprise and science policy research agency, from 2002 until 2009.

He has been a Board member at the Institute of Public Administration, Dublin, and at the Higher Education Authority, Dublin, a member of the Irish National Competitiveness Council and a member of the Advisory Council for Science, Technology and Innovation.

He was Director of Operations in IDA Ireland, the agency responsible for the promotion of Foreign Direct Investment into the Republic of Ireland, from 1994 until 2002. During that time his responsibilities included the IDA's project groups which work with visiting companies to secure investment decisions, IDA's Overseas Marketing network and its Information Technology and Marketing Services Groups.

Prior to joining IDA, Martin worked in Tinsley Wire in the production of wire and fencing products. He has also worked with General Electric in the manufacture of power transistors and in the Electricity Supply Board.



### JOANNE SPAIN - VICE CHAIR

A graduate of Trinity College Dublin, Joanne Spain has worked in the field of politics and economics for the past twelve years. Joanne currently works as economic advisor to the Sinn Fein Oireachtas team and produces the party's pre-budget submissions, budgetary responses and economic policy. She has been based in the Dáil for the past seven years and works out of Pearse Doherty TD's office.

As well as dealing with financial legislation for most of this time, she co-ordinated the party's continuous engagement with the EU/IMF/ECB representatives overseeing the implementation of the financial programme in the South of Ireland and continues to co-ordinate the party's engagement with the Department of Finance. Joanne is certified in taxation policy making by the Institute of Taxation Ireland. She has served as vice-chair of InterTradeIreland for the past two years and is also a member of the Body's Audit Committee.

## Board Members 2013



### HUBERT BROWN KERR

Hubert Brown Kerr is a fully qualified, award-winning baker who established his own business in 1989. Since then, he has built up a highly successful business selling biscuits to all of the major supermarket chains, and major health food stores, throughout the United Kingdom and Ireland. He has also opened depots in Paris, Chicago and Toronto from where he distributes extensively to the whole of Europe, North America and Canada. In the past he has worked with Bord Bia, the Irish Food Board, in promoting Irish produce and has represented Ireland on a number of promotional trips to North America and Canada.

For the past 10 years he has also worked in an advisory capacity with the Bank of England. Hubert is involved in horse-racing and is well known in horse-racing circles in Ireland. He also has a keen interest in history and has been a contributor of artefacts to the Battle of the Boyne Museum in Drogheda.



### JACK GALLAGHER

Born in Belfast, Northern Ireland in 1941, Jack Gallagher is a graduate of Stranmillis College, Belfast; the Open University; and Queens University, Belfast. On his retirement in 1993 he had enjoyed thirty two years working as a teacher and as Vice Principal/Principal of Lisnasharragh High School in South East Belfast (1979-1993). In the period from 1979-2007 Jack represented FIFA as Honorary Instructor and Technical Adviser for Coach Education.

This involved activity on behalf of FIFA in association with Government Sports' Commissions; National Governing Bodies; Coca-Cola Asia; Adidas and the International Olympic Committee in thirty five countries world wide. In 1998 he was awarded the Merit/Excellence Award of the PR China FA for services to Football Development in twenty five cities in PR China over a thirteen year period. From 2000-2007 Jack was employed at different periods in the Northern Ireland Assembly as Special Ministerial Adviser and Senior Assembly Assistant at Stormont. These positions involved working in a supporting role to deal with complex problems. offering advice and influencing strategic direction in an environment characterised by rapid political, structural and cultural change.

From 1999-2007 he was a member of Northern Ireland Sports' Council including a four year term as Chair of Sports Development Committee; Chair of Audit Committee and V-Chair Safety in Sports' Grounds Committee. He was a member from 1994-97 of the N-S Liaison Committee. He is also a Board Member of Maze Long Kesh Development Corporation.



### **KEVIN NORTON**

Kevin Norton is Chief Executive of Basta Parsons Limited. He was educated at Newbridge College and is a Commerce Graduate of UCD. After qualifying as a Chartered Accountant, he worked in industry for 10 years before setting up his own Accountancy practice.

His involvement with Basta began when he advised on a Management takeover in 1984 – the first BES Scheme in Ireland. In 1990, when Basta was on the verge of liquidation, he initiated a rescue, which led to him becoming Chairman and Chief Executive. Basta is now the leading supplier of builder's hardware in Ireland. Since 1990, Basta has made 3 acquisitions in Britain. These acquisitions enabled it to develop exports from Ireland, have a wider geographic spread of sales, and larger portfolio of products.

Today, 60% of its sales are outside Ireland. Kevin is also currently the Chairman of Alzheimer Society of Ireland.



### **RAY HAYDEN**

Ray Hayden has over twenty years experience in both print and broadcast journalism. An award-winning journalist, he has worked for newspapers in Northern Ireland and the Republic of Ireland.

His broadcasting experience is extensive. He worked as a Current Affairs/News/Parliamentary reporter and Producer for the BBC before moving to UTV where, for 10 years, he was the Industrial/Business Correspondent. He has also reported for ITN and Sky News.

Before moving to broadcasting, he was Deputy Editor of the 'East Antrim Times', Larne; General News Reporter with the 'Connacht Tribune', Galway and Trainee/Junior Reporter with the 'Midland Tribune' in his home town of Birr, Co. Offaly.

From 2000 to 2002, he served as Special Adviser to the Minister for Enterprise, Trade and Investment (DETI), Sir Reg Empey, in the devolved administration in Northern Ireland. Today, through his company, Anglewise, he provides a range of services for clients including Public Affairs, Public Relations, Media Skills Training and DVD production.

## Board Members 2013



### TIMOTHY MAYES

Timothy Mayes was born and brought up in Gilford County Down. After obtaining an Honours Degree in Law at Queens University Belfast he was admitted as a Solicitor in 1983. Timothy ran a substantial legal practice in Portadown from 1990, and then amalgamated with a colleague Andrew Walker to form Andrew Walker & Company (incorporating Timothy Mayes) in 2010. Since the amalgamation he has retained the post of Consultant Solicitor within the new practice. His main areas of responsibility include practice development, practice management and practice intervention. The firm has tripled in size since 2010, and continues to be one of the fastest growing legal firms in Northern Ireland.

Timothy continues to sit on various Boards, some which are business related and others which are charitable related. He is heavily involved in community work in Gilford, particularly involving the local Residents Group, of which he is the Chairman.

He is currently the Chair of the InterTradelreland Audit Committee, and also sits as a Legal Chairman for the Department of Education. He takes a particular interest in the Two-Tier Dickson Plan for Education in the West Down/ North Armagh area, and regularly gives talks on its past, present and future.

Outside of this, his main interests centre around Church outreach work and Ulster-Scots culture.



### PATRICIA MC KEOWN

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 Past 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).



### **JOHN CORBETT**

**(Resigned May 2013)**

John Corbett is currently HR Director Europe Materials for CRH plc. Previous to this John was HR Director with Irish Cement Ltd.



### **BRENDAN BUTLER**

Brendan Butler recently completed 25 years with the Irish Business and Employers Confederation (IBEC) having previously worked in the public sector for 15 years. Brendan worked in a number of different roles in IBEC including Director of the Small Firms Association (SFA), IBEC's Director of Social Policy and Director of Enterprise and in his final role with IBEC as 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 has been a member of the National Economic and Social Council (NESC) and the National Competitiveness Council (NCC). He represented IBEC in Business Europe, the IOE and BIAC. Brendan holds a B.Comm from University College Dublin and M.Sc. (Economics) from Trinity College Dublin.

## Board Members 2013



**MAIREAD SORENSEN**  
**(Resigned August 2013)**

Mairead Sorensen is Chairman of Butlers Chocolates. She has worked in the family owned business for 30 years and her primary areas of interest have always been strategy, marketing and product development. She was Joint Managing Director until nine years ago. During the course of her career, Mairead has been involved with the Irish Management Institute, Network and the American Chamber of Commerce.

In 1991, she won the Veuve Cliquot Business Woman of the Year. She travels extensively both for work and pleasure and is on the Export Trade Council of Ireland. Mairead is Vice Chairman of the Hope Foundation in Ireland and also on the board of the Hope Foundation UK. Hope is a charity set up in Ireland, taking care of the needs of street children in Calcutta.



**BRIDGET MEEHAN**  
**(Resigned November 2013)**

Dr Bridget Meehan is a political advisor for Sinn Fein working in the Derry constituency. She has a first class honours degree in computer science from the University of Ulster, a Masters' degree in computer science from the University of Limerick and a PhD in Engineering from the University of Ulster. She worked in the computing industry for over 10 years mainly in the telecommunications sector and also taught as a lecturer in computer science at the University of Ulster.

More recently, Bridget changed career and became involved in community development and politics. In that context, she worked as the strategy manager for the Neighbourhood Renewal Board in the Waterside in Derry, and also participated in Derry's regeneration process where she was chair of the City Region Assets sectoral working group. She currently sits on the Regeneration Strategy Board. The regeneration process emphasised a rights-based approach to regeneration whereby the necessity to promote equality and address inequalities through targeted interventions was paramount.



### **ROSEMARY DELANEY**

**(Appointed 6th December 2013)**

For over two decades, Rosemary has worked in the media industry rising to Managing Director level.

In 2006, she launched her own multi-media business – WMB Publishing; it includes the flagship title WMB – the Irish Magazine for Businesswomen and the business website: [Womenmeanbusiness.com](http://Womenmeanbusiness.com). A year later, she launched the very successful annual WMB Conference & Awards. Rosemary has been a past Chairman and Director of Magazines Ireland. She sat on the Steering Committee to establish a Press Council and subsequently sat on the first Press Council of Ireland.

In 2011, her first book aptly named: *Women Mean Business – One Woman's Journey into Entrepreneurship* was released (Orpen Press).



### **PROFESSOR TERRI SCOTT**

**(Appointed 6th December 2013)**

Professor Terri Scott is President of the Institute of Technology, Sligo. Prior to her current role she was CEO of the Ryan Academy at Dublin City University. From 2002-2006 Terri was Managing Director at Invest Northern Ireland responsible for entrepreneurship and regional development.

Her portfolio also included clients in the bio, food, creative industries and ICT sectors. During this time she has worked extensively with technology start-ups, SMEs and multinationals in promoting economic development and innovation. Terri has held several Board appointments and was a Director of the Industrial Development Agency (IDA) from 2007-2011.



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# organisation profile

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## Organisation Profile

### Senior Management Team



**Thomas Hunter McGowan**  
**Chief Executive**

Thomas is the Chief Executive of InterTradelreland and leads the organisation in fulfilling its mandate to enhance cooperation on North-South trade and business development opportunities. Thomas reports to the Board and is responsible for the Dáily management of the organisation. He recently completed the formulation of InterTradelreland's Corporate Plan for 2014-2016. Thomas spent three years as Director of Finance at Kildare County Council (with six months spent with the Local Government Efficiency Review Group) before coming to InterTradelreland. Prior to that, he spent 19 successful years at Swansea Cork Ferries Ltd as Managing Director. He was a board member of the Cork Chamber of Commerce and on the board of Chambers Ireland and sits on a number of other boards.

Thomas is a graduate of University College Dublin and of University College Cork and is a Fellow of the Chartered Institute of Management Accountants and an Associate of the Institute of Chartered Secretaries and Administrators.



**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 leads the Corporate Services team in promoting and guiding the activities and governance of InterTradelreland. This highly professional team provide the Body's Communications, Human Resources, Finance and Information Technology functions. Previously, he spent twelve years in Australia and Southern Africa in senior roles in the financial services, dairy and security sectors as well as two years with a humanitarian organisation. 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 centered 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 led the development of InterTradelreland's EquityNetwork Programme. She was appointed to her current position in December 2009.

# Organisation Profile

## Directorates and Contacts

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

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

### Strategy and Policy Directorate

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

### Corporate Services Directorate

The Corporate Services Directorate consistently adds value to InterTradeIreland 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.





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**strategy  
and key  
performance  
indicators**

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## Strategy & Key Performance Indicators

### Vision, Mission and Strategic Goals

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, jobs 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.

The approach of InterTradelreland is to identify and realise co-operative opportunities that will enable trade and business development and have a key impact on job creation, business and economic performance in Northern Ireland and Ireland. Also, to identify and help eliminate the barriers to cross-border trade and business development, both general and sectoral, by bringing these where appropriate to government policy makers, and/or pioneering relevant, flexible and responsive programmes and services.

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. Increase the number of businesses involved in cross-border Trade and Innovation activity by 10,000 (through access to, and exploitation of, InterTradelreland information, advice services and business support programmes).
2. Deliver a Return on Investment of 8:1.

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## Key Performance Indicators

InterTradelreland has defined 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 2011 -2013 are:

#### **Key Performance Indicator 1 -**

Companies engaged in North South Business

#### **Key Performance Indicator 2 -**

Jobs Impact

#### **Key Performance Indicator 3 -**

First Time Exporters

#### **Key Performance Indicator 4 -**

First Time Innovators

Targets against these Strategic and Key Performance Indicators above are set within the organisation's Annual Business Plans and reported each year. The 2013 Business Plan Performance Report in the next section provides quantitative and qualitative data on our operational programmes and our business and economic research reports, work within the North South policy and operational secretariats with which we are engaged and the online services that 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.



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**business  
plan  
performance  
report**

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# Business Plan Performance Report

## Targets and Performance

### Strategic Performance Indicator [Total Business Value Achieved]

Target: £56M/€68.3M<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.

### Strategic Performance Indicators [Return on Investment]<sup>5</sup>

Target: 8:1 The ratio of Business Value generated by InterTradelreland programmes against the cost of delivering those programmes.

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

Target: 4,000 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 Impact]

Target: 200 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 [First Time Innovators]

Target: 35 companies to become first time innovators through participation on an InterTradelreland Innovation programme.

## 2013 Performance against Business Plan Targets

Table 1: 2013 Performance against Business Plan Targets.

Balanced Scorecard Reference	Measure	2013 Target	2013 Performance
<b>Stakeholder Value</b> Contribute to Sponsor Department economic policy objectives in Ireland and Northern Ireland.	- Return on Investment	8:1	9:1
	- First Time Innovators	35	75
	- First Time Exporters	50	79
	- Jobs Impact	200	895
	- Efficiency Savings	9%	9%
<b>Customer Value</b> Increase the number of companies benefiting from North South business.	- Number of companies engaged in North South business through InterTradelreland Trade and Innovation Activities & Services.	4,000	3,395
	- Total Business Value achieved through InterTradelreland Trade and Innovation Activities & Services.	£56M /€68.3m	£62M/€75.6m

4 2013 Planning Guidance from DPER (Ireland) & DFP (Northern Ireland) : €1=£0.82. 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.

5 Return on Investment is the ratio of Business Value Generated by InterTradelreland programmes. Business Value is captured through ITI monitoring activities and independent evaluations and is based on business values reported directly by individual companies that have previously completed our programmes, against the cost of delivering those programmes.

## Programme Area Report

### Trade

#### Acumen

Acumen, is a trade programme designed to stimulate cross-border business for SMEs in Ireland and Northern Ireland. The programme provides a range of supports including tailored consultancy and salary support packages and in 2013 a total of 81 new projects were initiated. In 2013 Acumen companies reported business value of £13m/€15.9m, a jobs impact of 203 and a further 18 graduate jobs were created through new projects commencing. Development work has continued on the graduate website [www.footinthedoor.info](http://www.footinthedoor.info) which hosts information relating to both the FUSION and Acumen graduate programmes.

#### Elevate

Elevate is a programme focused on helping micro enterprises to take the first steps to exporting and explore opportunities in a new cross-border market. In 2013 a total of 59 companies were approved for Elevate support.

Of the 41 companies supported under phase 2 in 2012/13, 38 have now completed the programme. Phase 3 of the programme was officially launched in April 2013 and by December 2013, 50 companies were approved under this new phase. An independent evaluation of the pilot phase of Elevate reported in early 2013 that the companies had realised a business value of £500k/€610k and a jobs impact of 44.

In addition the Trade Accelerator Voucher scheme which offers businesses financial support worth up to £1000/€1200 towards professional advice in areas such as finance and taxation identified a business development value of £170k/€207k and a jobs impact of 12.



Pictured launching Elevate L to R - Thomas Hunter McGowan, InterTradeIreland, Arun Kapil, Saffron Spices and Enterprise Minister Richard Bruton TD.

#### Go-2-Tender

Go-2-Tender provides businesses with the confidence, knowledge and skills to tender successfully for public sector contracts. Public Procurement, an all-island market worth c£10bn/€12bn annually, provides a very important business opportunity, especially for SMEs during the current difficult trading conditions.

In 2013, 15 Go-2-Tender workshops were held in Ireland and Northern Ireland with a total of 321 attendees. In addition a 1/2 day mentoring was delivered to 141 companies and 21 additional mentoring assignments have been approved. Two Advanced Go2Tender programmes, including full uptake of mentoring, were held for 40 participants. The programme for 2014 will see a 50% increase in provision on the previous year and already demand has resulted in a number of workshops being fully booked.

## Business Plan Performance Report



Pictured at the Belfast Meet the Buyer event are from L to R Margaret Hearty, InterTradelreland, Des Armstrong, Central Procurement Directorate, Mary O'Halloran, National Procurement Service and Alastair Ross MLA.

### Meet the Buyer

In 2013, two 'Meet the Buyer' events were delivered in Belfast and Dublin. The Belfast event attracted 658 participants and in Dublin 747 participants attended with over 85 public buying organisations present. In 2013 InterTradelreland received the National Procurement award for "Excellence in Public Procurement" involving indigenous SMEs for these events.

A new Consortia Facilitator for contract support has been successfully tendered and work is underway to develop a comprehensive strategy that will position InterTradelreland as a Tendering Centre of Excellence for SMEs.

### Science, Technology & Innovation

#### Fusion

Fusion is InterTradelreland's flagship technology transfer programme which provides companies with new product or process development needs and access to a three-way partnership that includes a third-level research institution with specialist expertise and a high-calibre science or technology graduate. Fusion is helping many

companies in the current economic climate to re-invent themselves and re-build their business as well as helping other companies to lead their sector and industry through new innovations. Over 80% of Fusion graduates are offered jobs by their host companies, many of which go on to lead innovation projects in the business.

The Fusion Programme has supported an additional 68 company projects during 2013 and 51 graduate jobs were created through projects commencing. Fusion continues to support a wide range of companies. Some recent examples include a company working in Clare to improve the effectiveness of medical inhalers, a company in Kildare developing drug testing for horses and a company in Down designing a range of passive housing modules. Fusion projects are monitored 3 years after project completion to assess benefit to the company. In 2013 companies reported a business development value of £37m/€45m and a jobs impact of 275.



Irish Equine Centre receive a FUSION Exemplar award from Thomas Hunter McGowan InterTradelreland.

### All-island Software Network

This is a partnership between InterTradelreland, the Irish Software Association, Momentum (the Northern Ireland ICT Federation) and IT@Cork. This programme completed at the end of November and highlights in 2013 include an FP7 application submitted by the network facilitator and the development of two new INNOVA partnerships.

### 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. The current programme is now in the final phase of delivery with a final 5 collaborative partnerships to be recruited by year end.

In 2013, 4 full applications have been supported for funding. In 2013 a further 7 collaborative partnerships have been awarded Development Grants to complete their formal technical and business plans.

### Challenge

Challenge targets SMEs which aspire to ambitious growth but lack the capabilities to make a long-term commitment to innovation. The aim is to provide a cost-effective opportunity to effect substantial innovation and deliver a step-change in company performance. The tools and techniques of innovation management will be embedded in the company.

The second Challenge pilot completed in December 2013. After initial briefings, workshops and presentations the 12 companies who 'won' intensive mentoring support each held idea

generation sessions, were then taken through a process to select winning ideas and to progress these through the next stage known as "Fail Fast Fail Cheap". Following an independent evaluation of the first Pilot and an economic appraisal InterTradelreland are currently tendering for a three year rollout programme, commencing early in 2014.

### EquityNetwork

EquityNetwork offers a range of supports to help companies improve their ability to raise equity finance by developing their investor readiness and supporting business angel networks. One of the primary tools is the Halo business angel networks based across the island which are funded by InterTradelreland along with Invest NI and Enterprise Ireland. In 2013 the Halo networks reported 52 deals, worth £6.2m/€7.6m in direct investment in companies which leveraged an additional £14.8m/€18m from other funding sources. The new all island food and med tech syndicates have now reported their first deals. HBAN have successfully bid to host the annual European Business Angel Congress in Dublin in May 2014 with a co-event taking place in Belfast.

In March 2013 a total of 315 delegates attended InterTradelreland's annual Venture Capital Conference which was held in Dublin. The event was opened by Minister Sherlock and had 70 investors in attendance. An entrepreneur master class for technology companies was held in Belfast in January, and an exporting master class held in June in Belfast was hosted by InterTradelreland board member Hubert Brown-Kerr. In addition a Venture Capital Case Study workshop was held in Dublin in February and a 'What do VCs really do' event was hosted in Belfast in June.

## Business Plan Performance Report



Minister Sean Sherlock TD spoke at the InterTradelreland 2013 Venture Capital Conference held in Croke Park, Dublin and is pictured here with John Holloway EIF, Martin Cronin InterTradelreland and Paul Adams Facebook.

Further to substantial consultation with stakeholders the re-named 'Seedcorn Investor Readiness Competition' was updated to reflect the current real life investment process. A total of 304 applications were received and these were shortlisted down to 152 companies who were then invited to submit a full business plan. A total of 30 promotional workshops took place in relation to the Seedcorn competition. All 24 regional finalist companies were facilitated through a place at an investment pitch master class to improve the company's investment pitching skills. The overall winners of the competition were Westway Health and Element Software, both Galway based companies. In 2013, companies who had previously been regional finalists in the competition went on to raise £3.8m/€4.6m in new equity investment.



Receiving their Seedcorn Winners Award are Element Software, Galway pictured with Alastair Ross MLA and Minister John Pery TD.

A series of regional advisory clinics in 2013 to help start up companies who are seeking to raise new equity finance were launched with monthly clinics in locations including Belfast, Dublin, Cork, Londonderry, Galway and Limerick with almost 150 entrepreneurs attending. At these events company founders have the opportunity to meet with InterTradelreland's lead equity advisor to discuss their fund raising requirements and receive advice on how to improve their investor readiness. A number of sectoral entrepreneurship master classes were held in association with hosts drawn largely from the Entrepreneur of the Year alumni. These events enable founders/owner managers to avail of the expert advice from successful entrepreneurs drawn from in their own sector.

### FP7 / Horizon 2020 Support Programme

Established in June 2011, InterTradelreland FP7 support programme aims to help companies and academics in Ireland and Northern Ireland access the expertise they need for their FP7 applications through cross-border collaboration and partnerships. In 2013 the financial support provided by the Cross-border collaboration voucher has enabled 16 new cross-border meetings to take place to explore potential partnerships for EU R&D and innovation projects. Through the EU travel voucher 14 North South partnerships have attended EU events and consortium meetings.

In preparation for the new Horizon 2020 programme, InterTradelreland has developed a new App that facilitates:

Development of North South Partnerships in Horizon 2020, where users can:

- Find and link with Industry and Academic Partners
- Communicate directly with potential partners

- Submit Specific Partner Requests
- Engage with the Support Network

Tracking the relevant Horizon 2020 Work Programmes and Calls by:

- Search Call Documents
- Receive Alerts to Calls & Deadlines

Additional functionality includes all the latest Horizon 2020 tweets and news, as well as useful links to the various supports, resources and websites that can help Horizon 2020 participants. The App is free to download from the Apple App store or the Android App store. In addition in 2013 there have been 2,180 page views of our FP7/Horizon 2020 webpages.



On the 7th November 2013 the InterTradelreland 'Focus On' Horizon 2020 workshop series commenced in Dublin. The objective of these workshops is to bring together invited companies and researchers from across the island to explore specific topics arising from the Horizon 2020 work programmes, to

identify opportunities for collaboration. The first workshop looked at Societal Challenge 2 'Food security, sustainable agriculture and forestry, marine and maritime and inland water research and the bio-economy' and was attended by 51 academic and industry researchers. The second workshop took place in Belfast and addressed Societal Challenge 1 'Health, demographic change and wellbeing'. This event was attended by 42 academic and industry researchers. Building on the momentum generated by the previous Collaborate to Innovate conferences, InterTradelreland held a joint North South event on Horizon 2020 associated to the Irish

Presidency of the EU. The event took place on May 16th 2013 in the Croke Park Conference Centre, Dublin, and was attended by over 220 delegates.



Pictured at the Collaborate to Innovate Conference 2013 held in Croke Park Dublin were from L to R Thomas Hunter McGowan, InterTradelreland, Alastair Ross MLA, Minister Sean Sherlock TD and Neville Reeve EU Commission.

### US-Ireland R&D Partnership

The US-Ireland Research and Development Partnership is a unique tri-jurisdictional alliance that is promoting collaboration between world class researchers to address common research challenges in the areas of nanotechnology, sensor technology, telecommunications, energy and sustainability and a range of health areas that are consistent with the respective remits of the participating funding agencies.

In the period since March 2013, a further 4 proposals have been approved for funding. This brings the portfolio of successful projects to 14 which have a combined value of £19m/€23m/\$29m. The group also welcomed the substantial proposal pipeline as it was noted that since March 2013, 16 submissions have been made and there are a further 6 proposals in development.

# Business Plan Performance Report

## All Island Innovation Programme

The All Island Innovation Programme brings international expertise and best practice in innovation to Ireland and Northern Ireland 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. The first programme in 2013 was hosted by Queen's University, Belfast (QUB) and National University of Ireland, Galway (NUIG) in April 2013. The Chair of Innovation was Professor Gerard George, Vice Dean, Imperial College Business School who delivered a lecture entitled 'Innovating with 'Hard Constraints': How Low Cost Innovation Is Changing What We Do'.



Professor Gerard George, Vice Dean, Imperial College Business School.

The second programme was hosted by UCD and UCC in September 2013. The Chair of Innovation Professor Oliver Gassmann, Chair of Innovation Management, University of St.Gallen, who delivered a lecture entitled 'Secrets of Innovation and the 100 Million € Question'.

The Chair of Innovation for the annual conference programme in October/November 2013 at QUB was Professor Robert Simons, Professor of Business Administration, Harvard Business School. Over the two days, Professor Simons delivered two keynote addresses; one

targeted at a broad audience entitled 'Designing Competitive Organisations'. The keynote on the second day was aimed at an academic and policy maker audience, was entitled 'The Entrepreneurial Gap: How Managers Adjust Span of Accountability and Span of Control to Implement Business Strategy'.

Over the programme, there have been 17 events held as part of the All-Island Innovation Programme. These have been attended by over 1,100 attendees of which over 800 came from industry.

## The Irish Times InterTradeIreland Innovation Awards

The All Island Innovation Awards recognise best innovations in nominated categories: Agri-Food Innovation, Life Sciences Innovation, GreenTech Innovation, Business Services Innovation, Social Innovation and Creative Industries Innovation and a special recognition for the best North South collaboration project.

The awards ceremony for the 2013 Irish Times InterTradeIreland Innovation Awards took place on Friday 22nd March at the Titanic Building in Belfast. The 'Innovation of the Year' winner was Tipperary-based firm Trustwater for their unique system used by bottling plants to dramatically reduce energy and water usage.



Innovation Awards winner 2013 - Trustwater, Co. Tipperary.

## Business Research and Policy Development Activities

### Business Monitor

InterTradelreland's quarterly Business Monitor Survey is the largest and most comprehensive business survey covering business owners' views in both Northern Ireland and Ireland from interviews conducted with 1000 SMEs. The Business Monitor has now built up six years of data tracking all-island economic indicators such as sales, employment, business outlook and engagement in cross-border trade and exporting activity. The survey also includes specific topical issues on a quarterly basis including, for example, in January 2013 a survey in cooperation with the Department of Enterprise, Trade and Investment and Forfás on the business costs and how firms are dealing with these.

In Q3 2013 (released in November 2013), the emerging positive trends from the Q2 2013 survey continued and a business-led recovery across the island was revealed through the various indicators of the survey. The number of businesses reporting growth doubled (26%) from Q2 2013 (13%); this trend was stronger in larger firms but small businesses also showed improvement, with 24% reporting growth. Results of the last couple of quarters indicate that recovery is slow to translate into jobs but employment levels are stabilising. The percentage of firms reporting sales increases, was the highest in five years (31%), this percentage is higher in larger companies (51%). In Q3 2013, the survey included key questions related to the innovation attributes of firms. The results indicate that innovation related attributes are more closely associated with growth companies.

During the period from July to December 2013 the InterTradelreland Business Monitor continued to receive extensive media coverage in Ireland and Northern Ireland and has strengthened its position as the key business survey for policy makers.

### OECD Project on Cross Border Innovation Policies

In September 2013, staff from InterTradelreland attended a workshop in the OECD headquarters to finalise the international review of effective cross-border regional innovation policies. The cross-border region of Ireland and Northern Ireland has been singled out in the report as an example of good practice in innovation policy and programme cooperation. The report was published at a high-level OECD ministerial meeting in Marseilles in December 2013.



Pictured with the OECD Report in Armagh were Enterprise Ministers Arlene Foster MLA and Richard Bruton TD with Aidan Gough Director of Strategy & Policy, InterTradelreland.

# Business Plan Performance Report

## Research Publications

InterTradelreland carry out business and economic research activities to identify the opportunities and barriers affecting increased levels of trade and business development co-operation between Northern Ireland and Ireland. During 2013 there were 2,821 downloads of policy publications from the InterTradelreland website. The 2013 edition of 'Simple Guide to Cross-Border Business' and recent reports on access to finance and the characteristics of exporters, have proved of particular interest.

## Analysis of the Key Features of an Exporting SME

The report 'Analysis of the Key Features of an Exporting SME' was published in September 2013 with excellent media coverage. The study found that the cross-border market is a first step into exporting for almost three quarters of businesses and that the experience gained trading cross-border acts as a stepping stone to further export markets. It was highlighted in the study that exporters have an ambition to grow, a strategic approach and are more innovative than firms without export activity. The report has set out six key lessons that are now being considered by InterTradelreland and the other economic development agencies, in terms of policy and programme development in order to encourage more non-exporters to become exporters and to develop the capabilities of inexperienced exporters.

## Access to Finance for Growth for SMEs on the island of Ireland

The report 'Access to Finance for Growth for SMEs on the island of Ireland', was published in December 2013. The report provides a unique and reliable indication of the supply of finance for SMEs across the island, particularly bank finance in Northern Ireland, provided here for the first time and the level of SME demand for finance for growth purposes. The report seeks to widen the debate from an important but narrow focus on the availability of bank finance to a broader discussion on the need for a more diversified financial ecosystem to support the need of growth-oriented businesses. A series of recommendations covering informational deficits, improving financial capability and diversifying the financial product range are included in the report and will be developed in 2014 into practical actions.

Two research projects are planned for completion in 2014: 'Mapping the potential for all-island clusters' and 'Supply chain opportunities in cross-border trade'.

## Trade Statistics Website

This is an interactive web-based North South trade statistics service. The website continues to provide easy access to data covering cross-border matters such as trade, tourism, shopping, students and transport flows which it provides. In December 2013 the 2012 cross-border trade figures were updated showing a 10.5% increase to £2.3bn/£2.8bn. In 2013 there were 1,688 page views and 1,206 unique views of the website.





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**audited  
accounts**

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## **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 Jobs, Enterprise 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 Review of Activities.

### **Results for the Financial Year**

#### **1 January 2013 - 31 December 2013**

The results of the Trade and Business Development Body are set out in detail on page 61-81. The surplus for the period was £535,551(€630,612) (2012: surplus £137,519(€169,591))

### **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, evidence based research will continue to underpin the development of the Body's activities. The Body will research and advise on cross-border and economic issues in Ireland and Northern Ireland through the development of the all-island Business Monitor and specific research projects. Activities will include an expansion of support which aims to increase North/South participation in the EU Horizon 2020 programme. The Body will also execute a programme of economic and business research.

### **Future Developments**

The Body is implementing its 2014-2016 Corporate Plan. The priority areas of activity for this period are Exporting and Innovation. These are aligned to government economic policies in Northern Ireland and Ireland, which identify Exports and Innovation as key drivers of future economic recovery and future competitiveness.

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

There have been no significant events since the year end 31 December 2013, which would affect these accounts.

### **Charitable Donations**

There were no charitable donations made by the Trade and Business Development Body during 2013.

### **Board Members**

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

Mr Martin Cronin (Chairman)  
Ms Joanne Spain (Vice Chairperson)  
Mr Brendan Butler  
Mr Jack Gallagher  
Mr Ray Hayden  
Mr Hubert Brown Kerr  
Mr Timothy Mayes  
Ms Bridget Meehan (*resigned 13 November 2013*)  
Ms Patricia McKeown  
Mr Kevin Norton  
Ms Mairead Sorensen (*resigned 8 August 2013*)  
Mr John Corbett (*resigned 21 May 2013*)  
Ms Rosemary Delaney (*appointed 6 December 2013*)  
Professor Terri Scott (*appointed 6 December 2013*)

The Chief Executive is Mr. Thomas Hunter McGowan. 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 won the William Keown Access Award in 2002. Currently 2.4% of our employees have declared that they have a disability under the definitions of the Act.

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## **Statutory Equality Scheme**

The Body's original Equality Scheme was approved by the Equality Commission in March 2002. A revised Equality Scheme was approved in July 2012.

The Body continues to be committed to implementation of its statutory responsibilities, by having regard to the need to promote equality of opportunity:

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

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

## **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, as amended by the Late Payment of Commercial Debts Regulations 2002, and the Late Payments in Commercial Transactions Regulations 2012. 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 2,553. Ninety-nine 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.

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## **Energy Usage**

### **Overview of Energy Usage in 2013**

In 2013, InterTradelreland consumed 292.5 MWh of energy, comprising:

- 113.053 MWh of electricity;
- 185.764 MWh of fossil fuels;
- 0 MWh of renewable fuels.

In 2013 InterTradelreland maintained the reduced levels of energy consumption which were achieved in 2012, with further reductions in electricity usage and only a slight increase in fossil fuel consumption.

### **Actions Undertaken in 2013**

Measures taken during 2013 to improve energy performance included:

- switching off electrical equipment and lights where possible; and
- lowering the room temperature by 0.25°.

### **Actions Planned for 2014**

In 2014, InterTradelreland intends to further improve energy performance by undertaking the following initiatives;

- conserve use of electricity by switching off equipment. This should save 5MWh annually.
- further reduce the heated room temperature by 0.25°.

**Thomas Hunter McGowan**  
**Chief Executive**

**Date: 11 August 2014**

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## Statement of Responsibilities

### Trade and Business Development Body Responsibilities

The Finance Departments have directed the Trade and Business Development Body to prepare a statement of accounts for each year ended 31 December in the form and on the basis set out in the accounts direction at the appendix to these financial statements.

The accounts are prepared on an accruals basis and must give a true and fair view of the Body's state of affairs at the year-end and of its income and expenditure, recognised gains and losses, and cash flows for the calendar year. The functions of the Body are exercised by the Board.

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

- Observe the accounts direction issued by the Sponsor Departments, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis;
- Make judgments and estimates on a reasonable basis;
- State whether applicable accounting standards have been followed and disclose and explain any material departures in the financial statements;
- Prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the Trade and Business Development Body will continue in operation.

### Chief Executive's Responsibilities

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

**Thomas Hunter McGowan**  
**Chief Executive**

**Date: 11 August 2014**

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## 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.

InterTradeIreland - the Trade and Business Development Body is a North/South implementation body sponsored by the Department of Enterprise Trade and Investment in Northern Ireland (DETI) and the Department of Jobs, Enterprise and Innovation in Ireland (DJEI). 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 31 December 2013 and up to the date of approval of the annual report and accounts, and accords with the Finance Departments' guidance.

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## 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, completeness and to ensure that all appropriate steps to control or mitigate risk are in place. The complete 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. Inter-departmental 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 2013. Risk management has been incorporated into the corporate planning and decision making processes of the Trade and Business Development Body.

During 2013 a number of refinements were made to the Body's risk management processes. These included the documentation of the review of the risk register by the Senior Management Team, and the allocation of an 'owner' to specific risks.

## 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 Reports to Those Charged with Governance 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 any 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 2013 included:

- The presentation of the Body's risk register to the Board;
- Review of the risk register at each meeting of the Audit Committee;
- Four meetings of the Audit Committee to consider and advise on matters arising around the system of internal control and the risk register;
- An Annual Report of the Audit Committee to inform the Accounting Officer and Chairman of its work during 2013 was provided and considered by the Board;
- The completion of a Self-Assessment exercise by the Audit Committee;
- A review of the Assurance Statements provided by the Body's Directors and Managers in support of this Statement of Internal Control;
- The application of a risk-based three year internal audit programme. During 2013, the internal auditors (ASM) undertook internal audits in the areas of Performance Assessment and Corporate and Programme Communications. ASM also undertook a follow-up review of recommendations made during the 2012 year.
- Review and updating of the Body's Fraud Policy;
- Additional fraud awareness training for staff;
- The completion, by the internal auditors, of a Fraud Risk Assessment in respect of each of the Body's key operational areas;
- An annual statement of assurance, in respect of 2013, from the Internal Auditors. They expressed the opinion that 'InterTradeIreland's systems in relation to risk management, control and governance were adequate and operated effectively thereby providing satisfactory assurance in relation to the effective and efficient achievement of ITI's objectives';
- The application of delegated sanctions agreed by both the respective Sponsoring Departments (DETI and DJEI) and Finance Departments (DPER and DFP)
- The application of the provisions of the Financial Memorandum in conjunction with the above departments;

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As a North/South Implementation Body jointly sponsored by the Department of Enterprise Trade and Investment and the Department of Jobs, Enterprise 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.

**Thomas Hunter McGowan**  
**Chief Executive**

**Date: 11 August 2014**

## Trade and Business Development Body

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

We have audited the accounts of InterTradeIreland (the Body) for the year ended 31 December 2013 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 appendix. 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 Annual Review of Activities and the Foreword to identify material inconsistencies with the audited accounts and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. 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 to the purposes intended by the Northern Ireland Assembly and the Houses of the Oireachtas and the financial transactions conform to the authorities which govern them.

### **Opinion on Regularity**

In our opinion, in all material respects the expenditure and income recorded in the accounts have been applied to the purposes intended by the Northern Ireland Assembly and the Houses of the Oireachtas and the financial transactions recorded in the accounts 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 2013 and of its surplus, 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 information given in the Annual Review of Activities is not consistent with the related accounts; 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.

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

**Date: 13 August 2014**

**Mr Seamus McCarthy**  
**Irish Comptroller and Auditor General**  
**Dublin Castle**  
**Dublin 2**  
**Ireland**

**Date: 15 August 2014**

## InterTradelreland

### Income and Expenditure account for Financial Year 1 January 2013 - 31 December 2013

		2013	2012	2013	2012
		£	£	€	€
<b>INCOME</b>	<b>Notes</b>				
Revenue Grants from Departments	2	9,978,850	9,921,303	11,750,096	12,235,348
Capital Grant Release from Departments	13.2	35,613	37,885	41,935	46,721
Other Operating Income	3	679,907	485,047	800,590	598,178
<b>TOTAL INCOME</b>		<b>10,694,370</b>	<b>10,444,235</b>	<b>12,592,621</b>	<b>12,880,247</b>
<b>EXPENDITURE</b>					
Staff Costs and Board Remuneration	4	2,256,039	2,215,889	2,656,487	2,732,724
Depreciation	8 & 9	35,613	37,885	41,935	46,721
Other Operating Costs	6	872,115	911,416	1,026,914	1,123,996
Programme Costs	7	6,993,505	7,140,845	8,234,851	8,806,376
		<b>10,157,272</b>	<b>10,306,035</b>	<b>11,960,187</b>	<b>12,709,817</b>
<b>Surplus before tax</b>		537,098	138,200	632,434	170,430
<b>Corporation Tax Payable</b>	6 (b)	(1,547)	(681)	(1,822)	(839)
<b>Surplus for the period</b>		<b>535,551</b>	<b>137,519</b>	<b>630,612</b>	<b>169,591</b>
<b>Surplus for period transferred to General Fund</b>		<b>535,551</b>	<b>137,519</b>	<b>630,612</b>	<b>169,591</b>
<b>Statement of Total Recognised Gains and Losses</b>					
Surplus for the year		535,551	137,519	630,612	169,591
Actuarial gains / (losses)	15.3	132,521	(418,036)	156,044	(515,539)
Transfers out of / (into) the Scheme	15.2	50,047	(3,115)	58,930	(3,842)
Adjustment to Deferred Pension Funding		(182,568)	421,151	(214,974)	519,381
<b>Total recognised gain for the year</b>		<b>535,551</b>	<b>137,519</b>	<b>630,612</b>	<b>169,591</b>

All amounts above relate to continuing activities.  
The notes on pages 64-81 form part of these accounts.

## InterTradelreland

### Balance Sheet as at 31 December 2013

		2013	2012	2013	2012
		£	£	€	€
<b>FIXED ASSETS</b>	Notes				
Intangible Assets	8	8,069	15,250	9,679	18,686
Tangible Assets	9	79,788	67,976	95,706	83,294
		<b>87,857</b>	<b>83,226</b>	<b>105,385</b>	<b>101,980</b>
<b>CURRENT ASSETS</b>					
Debtors	10	140,207	135,621	168,179	166,182
Cash at bank and in hand	14.2	3,017,170	2,743,139	3,619,095	3,361,278
		<b>3,157,377</b>	<b>2,878,760</b>	<b>3,787,274</b>	<b>3,527,460</b>
<b>CURRENT LIABILITIES</b>					
Creditors - amounts due in less than one year	11	1,740,857	1,913,812	2,088,159	2,345,071
Provisions - amounts due in less than one year	12	622,878	706,857	747,142	866,140
		<b>2,363,735</b>	<b>2,620,669</b>	<b>2,835,301</b>	<b>3,211,211</b>
<b>NET CURRENT ASSETS</b>		<b>793,642</b>	<b>258,091</b>	<b>951,973</b>	<b>316,249</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES BEFORE PENSIONS</b>		<b>881,499</b>	<b>341,317</b>	<b>1,057,358</b>	<b>418,229</b>
Pension Liabilities	15.2	(6,784,953)	(6,363,000)	(8,138,551)	(7,796,838)
Deferred Pension Funding		6,784,953	6,363,000	8,138,551	7,796,838
<b>Total Assets Less Total Liabilities</b>		<b>881,499</b>	<b>341,317</b>	<b>1,057,358</b>	<b>418,229</b>
<b>Financed by :</b>					
<b>CAPITAL AND RESERVES</b>		£	£	€	€
<b>General Fund</b>	13.1	793,642	258,091	951,974	316,250
<b>Capital Grant Reserve</b>	13.2	87,857	83,226	105,384	101,979
		<b>881,499</b>	<b>341,317</b>	<b>1,057,358</b>	<b>418,229</b>

**Thomas Hunter McGowan**  
Chief Executive

**Date: 11 August 2014**

The notes on pages 64-81 form part of these accounts.

## InterTradelreland

### InterTradelreland Cash Flow Statement for the year 1 January 2013 - 31 December 2013

	Notes	2013	2012	2013	2012
<b>Operating Activities</b>		£	£	€	€
Net cash inflow/(outflow) from Operating Activities	14.1	267,706	90,339	250,368	185,212
<b>Returns On Investments and servicing of Finance</b>					
Interest Received		7,734	7,181	9,107	8,856
<b>Capital expenditure and financial investment</b>					
Payments to acquire Fixed Assets	9	( 40,244)	( 30,306)	( 47,387)	( 37,375)
<b>Taxation</b>					
Corporation Tax Paid		( 1,409)	( 1,290)	( 1,658)	( 1,590)
<b>Financing</b>					
Grant Received for Capital Purposes	13.2	40,244	30,306	47,387	37,375
<b>Increase in Cash</b>		<b>274,031</b>	<b>96,230</b>	<b>257,817</b>	<b>192,478</b>

The notes on page 64 to 81 form part of these accounts.

# Notes To The Accounts For The Year Ended 31 December 2013

## 1. 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 Act 2006, the Companies Acts 1963 to 2013 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 Public Expenditure and Reform, insofar as those requirements are appropriate.

### 1.2 Fixed Assets

- a) All Fixed Assets are included at cost or valuation to the body. Intangible assets comprise purchased software.
- b) Depreciation is calculated to write off the cost or revalued amounts of fixed assets within their useful lives. The methods adopted and rates used per annum are as follows:
- |                              |                            |
|------------------------------|----------------------------|
| Software Licences.....       | 20% Straight Line          |
| Office Equipment .....       | 15% Straight Line          |
| Fixtures & Fittings .....    | 15% Straight Line          |
| Computer Equipment .....     | 33.33% Straight Line       |
| Leasehold Improvements ..... | Remainder of life of lease |
- c) A capitalisation threshold of £500 has been applied in the accounts during 2013.

### 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 Jobs, Enterprise and Innovation to the Body. The Northern Ireland share of the benefits is paid by the Department of Enterprise, Trade and Investment.

Financial Reporting Standard (FRS) 17 covers retirement benefits. The liability at 31 December 2013 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 InterTradelreland for the purposes of the accounts for the year ended 31 December 2013 and comparative figures for 2012.

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.

From 2012, the current pension service cost is recognised gross of members' contributions. The accounting treatment in prior years had been to recognise the members' contributions separately within the pensions note.

#### **1.4 Value Added Tax**

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

#### **1.5 Foreign Currencies**

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange prevailing at the Balance Sheet date. Transactions in foreign currencies are recorded at the date of the transactions. Realised gains and losses are taken to the Income and Expenditure Account. Translated amounts have been disclosed in the Income and Expenditure Account, the Cash Flow Statement, the Balance Sheet and the related notes in Euro(€). The closing rate used for the Balance Sheet was £1=€1.1995(2012:£1=€1.22534) and the average rate used for the Income and Expenditure Account was £1=€1.1775 (2012:£1=€1.2332). Both these rates are the European Central Bank exchange rates.

#### **1.6 Grant Expenditure**

Grant expenditure is recognised in the period in which the grant supported activity takes place. Grants are paid in support of specific projects. Payments are made on foot of claims relating to activity undertaken on the project. In preparing these accounts, a liability is recognised for amounts payable in respect of project activity which has not been claimed at the date accounts are prepared.

Where the amount of the liability, and the actual 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, but the activity has taken place, the liability is provided for as a provision and disclosed within provisions (Note 12). Grants awarded less amounts paid or provided for are disclosed in commitments (Note 16.2).

#### **1.7 Capital Grant Reserve**

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

#### **1.8 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.

#### **1.9 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 2013 - 31 December 2013

	Notes	DETI (Northern Ireland)	DETI (Northern Ireland)	DJEI (Ireland)	DJEI (Ireland)	Total	Total
		£	€	£	€	£	€
Revenue Grant		3,196,831	3,696,686	6,782,019	8,053,410	9,978,850	11,750,096
Capital Grant		13,414	15,795	26,828	31,590	40,242	47,385
		<b>3,210,245</b>	<b>3,712,481</b>	<b>6,808,847</b>	<b>8,085,000</b>	<b>10,019,092</b>	<b>11,797,481</b>

### 2.2 Financial Year 1 January 2012 - 31 December 2012

	Notes	DETI (Northern Ireland)	DETI (Northern Ireland)	DJEI (Ireland)	DJEI (Ireland)	Total	Total
		£	€	£	€	£	€
Revenue Grant		3,382,250	4,096,080	6,539,053	8,139,268	9,921,303	12,235,348
Capital Grant		10,102	12,622	20,204	24,753	30,306	37,375
		<b>3,392,352</b>	<b>4,108,702</b>	<b>6,559,257</b>	<b>8,164,021</b>	<b>9,951,609</b>	<b>12,272,723</b>

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

## 3. Other Operating Income

Other Operating Income comprises:

	Notes	2013	2012	2013	2012
		£	£	€	€
Bank interest receivable		7,737	7,053	9,111	8,698
Conference Income		25,213	23,805	29,688	29,357
Staff secondment		42,436	17,314	49,968	21,353
Net deferred funding for pensions	15.4	604,521	436,874	711,823	538,770
		<b>679,907</b>	<b>485,047</b>	<b>800,590</b>	<b>598,178</b>

## 4. Staff Costs and Board Remuneration

(a) The average monthly number of employees (full time equivalent) per directorate was:

		2013	2012
Permanent Staff	- Corporate Services & CEO Office	13	13
	- Policy	10	10
	- Operations	16	18
Agency/Temporary staff		1	1
		<b>40</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, but do include a full-time employee seconded to DETI throughout 2013.

(b) The costs incurred in respect of these employees were:

	Notes	2013	2012	2013	2012
		£	£	€	€
Salaries & Wages		1,381,693	1,406,622	1,626,944	1,734,703
Social Security Costs		111,650	114,143	131,468	140,766
Other Pension Costs - Current service and interest costs		660,695	608,364	777,969	750,259
Amounts payable in respect of Agency/Temporary staff		39,952	21,628	47,043	26,673
<b>Total Staff Costs</b>		<b>2,193,990</b>	<b>2,150,757</b>	<b>2,583,424</b>	<b>2,652,401</b>
Board Remuneration		62,049	65,132	73,063	80,323
<b>Total Board Costs</b>		<b>62,049</b>	<b>65,132</b>	<b>73,063</b>	<b>80,323</b>
<b>Total Board and Staff Costs</b>		<b>2,256,039</b>	<b>2,215,889</b>	<b>2,656,487</b>	<b>2,732,724</b>

The accounting policy for pensions is detailed in Note 1.3.

**(c) Number of employees whose emoluments for the twelve months ending 31 December 2013 fell within the following bands:**

	2013	2012
£40,000 - 49,999	8	3
£50,000 - 59,999	2	3
£60,000 - 69,999	1	1
£70,000 - 79,999	0	0
£80,000 - 89,999	1	0
£90,000 - 99,999	0	0

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

	Salary 2013	Salary 2013	Salary 2012	Salary 2012
	£	€	£	€
Chief Executive: Mr Thomas Hunter McGowan	Consent Withheld	Consent Withheld	Consent Withheld	Consent Withheld
Mr Laurence Lord	Consent Withheld	Consent Withheld	Consent Withheld	Consent Withheld
Mr Aidan Gough	62,719	73,852	61,631	76,003
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 2013 or 2012.

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

	Fees 2013	Fees 2013	Fees 2012	Fees 2012
	£	€	£	€
Mr Martin Cronin (Chairman)	<i>10,166</i>	11,970	<i>9,706</i>	11,970
Ms Joanne Spain (Vice Chairperson)	<i>8,348</i>	9,830	<i>7,971</i>	9,830
Mr Brendan Butler	<i>6,535</i>	7,695	<i>6,240</i>	7,695
Mr Jack Gallagher	<i>5,235</i>	<i>6,164</i>	<i>5,235</i>	<i>6,456</i>
Mr Ray Hayden	<i>5,235</i>	<i>6,164</i>	<i>5,235</i>	<i>6,456</i>
Mr Hubert Brown Kerr	-	-	-	-
Mr Timothy Mayes	<i>5,235</i>	<i>6,164</i>	<i>5,235</i>	<i>6,456</i>
Ms Bridget Meehan (resigned 13 November 2013)	<i>4,672</i>	<i>5,501</i>	<i>5,235</i>	<i>6,456</i>
Ms Patricia McKeown	<i>5,235</i>	<i>6,164</i>	<i>5,235</i>	<i>6,456</i>
Mr Kevin Norton	<i>6,535</i>	7,695	<i>6,240</i>	7,695
Ms Mairead Sorensen (resigned 8 August 2013)	<i>3,268</i>	<i>3,848</i>	<i>6,240</i>	<i>7,695</i>
Mr John Corbett (resigned 21 May 2013)	-	-	-	-
Ms Rosemary Delaney (appointed 6 December 2013)	-	-	-	-
Professor Terri Scott (appointed 6 December 2013)	-	-	-	-

Board member fees are paid in the currency of their place of residence, figures in italics are the Sterling £/Euro € equivalent. In addition a total of £2,073 (€2,441 being the Euro equivalent) was paid to Board members to cover travel and subsistence expenses during the year 2013. This amount is included within travel and subsistence costs disclosed in Note 6.

The Chairman and the Board members did not receive any benefits in kind during the years 2013 or 2012.

Mr John Corbett and Mr Hubert Brown Kerr waived their Board fees in respect of 2013.

(f) Pension details of the Chief Executive and Senior Management team as at 31 December 2013:

	Real increase/ (decrease) in pension and related lump sum at age 60 in 2013	Total accrued pension at age 60 at 31 December 2013	Real increase in pension and related lump sum at age 60 in 2012	Total accrued pension at age 60 at 31 December 2012
	£'000	£'000	£'000	£'000
Chief Executive: Mr Thomas Hunter McGowan	Consent Withheld	Consent Withheld	Consent Withheld	Consent Withheld
Laurence Lord	Consent Withheld	Consent Withheld	Consent Withheld	Consent Withheld
Aidan Gough	0 - 2.5 plus (2.5 - 5) lump sum	20 - 24	0 - 2.5 plus (2.5 - 5) lump sum	20 - 24
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 Jobs, Enterprise 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

	2013	2012	2013	2012
	£	£	€	€
Travel and Subsistence	76,484	72,269	90,060	89,125
Postage, Stationery, Telephone	70,894	53,113	83,478	65,501
Currency (Gain)/Loss	(26,420)	(22,673)	(31,110)	(27,961)
Rent and Rates	254,756	255,019	299,975	314,500
Heat, Light and Power	27,603	25,528	32,503	31,482
Maintenance	12,002	22,680	14,132	27,970
Promotion and Web Development	171,160	201,227	201,541	248,161
Professional Fees	8,232	4,623	9,693	5,701
Meeting Costs	1,150	659	1,354	813
Internal Auditor's Remuneration	9,360	9,360	11,021	11,543
External Auditor's Remuneration	22,000	22,000	25,905	27,131
Recruitment Costs	8,472	37,096	9,976	45,748
Insurance	11,168	11,775	13,150	14,521
Pension Admin Costs	32,163	25,671	37,872	31,659
Office Expenses	6,586	5,894	7,755	7,269
Information Systems	106,999	107,004	125,991	131,962
Non-Capitalised Costs of Assets	-	286	-	353
Disposal of capitalised assets	-	(52)	-	(64)
Training	23,482	18,805	27,650	23,191
Equality	375	2,538	442	3,130
General Expenses	3,669	3,197	4,320	3,943
Bank Charges	136	1	160	1
Hosting Costs	1,942	1,817	2,287	2,241
Cleaning	14,379	17,727	16,931	21,862
Security Costs	35,523	35,852	41,828	44,214
<b>TOTAL</b>	<b>872,115</b>	<b>911,416</b>	<b>1,026,914</b>	<b>1,123,996</b>

## 6(b) Corporation Tax Payable

	2013	2012	2013	2012
	£	£	€	€
Corporation Tax	1,547	681	1,822	839

A Corporation Tax liability arose in InterTradelreland in 2013, due to tax payable on the interest on bank account balances.

## 7. Programme Costs

	2013	2012	2013	2012
	£	£	€	€
<b>7.1 InterTradelreland Costs</b>				
Trade: Programmes & Initiatives	1,322,506	1,412,965	1,557,251	1,742,525
Science Technology & Innovation	2,175,949	1,796,727	2,562,180	2,215,796
Economic and Policy Research	195,645	276,729	230,372	341,273
<b>7.2 Financial Assistance to Other Organisations</b>				
Fusion	1,765,348	1,912,589	2,078,697	2,358,681
Acumen	521,224	523,680	613,741	645,823
Equity/Venture Capital	235,179	234,263	276,923	288,903
Innova	764,976	960,796	900,759	1,184,892
ABC Ireland	-	18,952	-	23,372
Research Connections	12,678	4,144	14,928	5,111
<b>TOTAL</b>	<b>6,993,505</b>	<b>7,140,845</b>	<b>8,234,851</b>	<b>8,806,376</b>

With respect to Note 7.2, Financial Assistance to other Organisations, the amount of £521,224 (2012:£523,680) in relation to the Acumen programme solely represents the amount payable 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 Invest NI and Enterprise Ireland to act as a conduit for funding of the programme.

In the year under review, Enterprise Ireland has not availed of this function. InterTradelreland received the amount of £43,750 (2012:£119,582) from Invest NI in respect of InvestNI client organisations being assisted by the Acumen programme. An amount of £nil (2012:£nil) remained to be recouped by InterTradelreland from Invest NI at the year end.

## 8. Intangible Assets

	Software Licences	Total	Total
	£	£	€
<b>Cost or Valuation</b>			
At 1 January 2013	51,454	51,454	63,049
Additions	-	-	-
Disposals	-	-	-
<b>At 31 December 2013</b>	<b>51,454</b>	<b>51,454</b>	<b>63,049</b>
<b>Depreciation</b>			
At 1 January 2013	36,204	36,204	44,362
Provision for Year	7,181	7,181	8,456
Disposals	-	-	-
<b>At 31 December 2013</b>	<b>43,385</b>	<b>43,385</b>	<b>52,818</b>
<b>Net Book Value at 31 December 2013</b>	<b>8,069</b>	<b>8,069</b>	<b>10,231</b>
<b>Currency Translation Adjustment</b>			<b>(552)</b>
Net Book Value at 31 December 2013	8,069	8,069	9,679
Net Book Value at 31 December 2012	15,250	15,250	18,686

## 9. Fixed Assets

	Leasehold Improvements	Fixtures & Fittings	Office Equip.	Computer Equip.	Total	Total
	£	£	£	£	£	€
<b>Cost or Valuation</b>						
At 1 January 2013	145,225	79,237	59,705	231,432	515,599	631,784
Additions	-	-	-	40,244	40,244	47,387
Disposals	-	-	-	-	-	-
<b>At 31 December 2013</b>	<b>145,225</b>	<b>79,237</b>	<b>59,705</b>	<b>271,676</b>	<b>555,843</b>	<b>679,171</b>
<b>Depreciation</b>						
At 1 January 2013	132,293	69,215	57,541	188,574	447,623	548,490
Provision for Year	3,471	3,233	815	20,913	28,432	33,479
Disposals	-	-	-	-	-	-
<b>At 31 December 2013</b>	<b>135,764</b>	<b>72,448</b>	<b>58,356</b>	<b>209,487</b>	<b>476,055</b>	<b>581,969</b>
<b>Net Book Value at 31 December 2013</b>	<b>9,461</b>	<b>6,789</b>	<b>1,349</b>	<b>62,189</b>	<b>79,788</b>	<b>97,202</b>
<b>Currency Translation Adjustment</b>						(1,496)
<b>Net Book Value at 31 December 2013</b>	<b>9,461</b>	<b>6,789</b>	<b>1,349</b>	<b>62,189</b>	<b>79,788</b>	<b>95,706</b>
<b>Net Book Value at 31 December 2012</b>	<b>12,932</b>	<b>10,022</b>	<b>2,164</b>	<b>42,858</b>	<b>67,976</b>	<b>83,294</b>

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

	2013	2012	2013	2012
	£	£	€	€
Other Debtors	52,332	51,118	62,773	62,637
Prepayments and accrued income	87,875	84,503	105,406	103,545
<b>Total</b>	<b>140,207</b>	<b>135,621</b>	<b>168,179</b>	<b>166,182</b>

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

	2013	2012	2013	2012
	£	£	€	€
Trade Creditors	292,595	305,192	350,968	373,964
Accruals	1,446,715	1,607,211	1,735,335	1,969,380
Corporation Tax	1,547	1,409	1,856	1,727
<b>Total</b>	<b>1,740,857</b>	<b>1,913,812</b>	<b>2,088,159</b>	<b>2,345,071</b>

## 12. Provisions

	2013	2012	2013	2012
	£	£	€	€
Provisions (amounts falling due less than one year)				
Opening Balance	706,857	727,558	866,140	871,011
Provided in the Year	622,878	706,857	733,439	871,724
Provisions Utilised in the Year	(706,857)	(727,558)	(832,324)	(897,254)
Difference on Foreign Exchange Translation	-	-	(20,113)	20,659
<b>Closing balance</b>	<b>622,878</b>	<b>706,857</b>	<b>747,142</b>	<b>866,140</b>

The above provisions represent grant liabilities 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

	2013	2012	2013	2012
	£	£	€	€
General Fund Opening Balance	258,091	120,572	316,250	144,346
Surplus for the year	535,551	137,519	630,612	169,591
Difference on Foreign Exchange Translation	-	-	5,112	2,313
<b>General Fund Closing Balance</b>	<b>793,642</b>	<b>258,091</b>	<b>951,974</b>	<b>316,250</b>

### 13.2 Capital Grant Reserve

	2013	2012	2013	2012
	£	£	€	€
Opening Balance	83,226	91,003	101,979	108,945
Capital Grants Received	40,244	30,306	47,388	37,375
Less: Transfer to Income & Expenditure	(35,613)	(37,885)	(41,935)	(46,721)
Adjustment for Fixed Asset Disposal	-	(198)	-	(245)
Difference on Foreign Exchange Translation	-	-	(2,048)	2,625
<b>Capital Grants Reserve Closing Balance</b>	<b>87,857</b>	<b>83,226</b>	<b>105,384</b>	<b>101,979</b>

## 14. Notes To Cash Flow Statement

### 14.1 Reconciliation of surplus for the year to net cash inflow from operating activities

	2013	2012	2013	2012
	£	£	€	€
Surplus for the year before tax	537,098	138,200	632,434	170,430
Depreciation	35,613	37,885	41,935	46,721
Transfer from Capital Grant Reserve	(35,613)	(37,885)	(41,935)	(46,721)
Bank Interest Receivable	(7,737)	(7,053)	(9,111)	(8,698)
(Increase) in debtors	(4,586)	(217)	(1,997)	(4,080)
(Decrease) in creditors	(257,069)	(40,590)	(376,070)	25,247
Difference on Foreign Exchange Translation	-	-	5,112	2,313
<b>Net cash inflow from operating activities</b>	<b>267,706</b>	<b>90,339</b>	<b>250,368</b>	<b>185,212</b>

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

	2013	2012	2013	2012
	£	£	€	€
Cash at Bank and in hand at 1 January	2,743,139	2,646,909	3,361,278	3,168,800
Net Cash inflow	274,031	96,230	257,817	192,478
<b>Cash at Bank and in hand at 31 December</b>	<b>3,017,170</b>	<b>2,743,139</b>	<b>3,619,095</b>	<b>3,361,278</b>

## 15. Pensions

### 15.1 Accounting Treatment

The valuation used for FRS 17 disclosures has been based on an actuarial valuation as at 31 December 2013 by an independent actuarial firm, Xafinity Consulting. The principal assumptions used to calculate scheme liabilities are:

	31-Dec-13	31-Dec-12	31-Dec-11
<b>Discount rate</b>			
Northern Ireland	4.50%	4.10%	4.70%
Ireland	3.50%	2.70%	4.60%
<b>Rate of increase in Retail Prices Index*</b>			
Northern Ireland	N/A	N/A	2.60%
Ireland	N/A*	2.50%	2.50%
<b>Rate of increase in Consumer Price Index*</b>			
Northern Ireland	2.50%	1.80%	N/A
Ireland	2.00%	N/A*	N/A
<b>Average rate of increase in pensions</b>			
Northern Ireland	2.50%	1.80%	2.60%
Ireland	2.00%	2.50%	2.50%
<b>In line with salary increases</b>			
	4.00%	4.00%	4.00%
<b>Average expected future life at age 65 for:</b>			
Male currently aged 65	21.60	21.50	21.40
Female currently aged 65	24.20	24.10	24.00
Male currently aged 45	23.50	23.40	23.30
Female currently aged 45	26.00	25.90	25.90

\* For the financial years 2010 and 2011 the Retail Price Index was applied. This was changed to the Consumer Price Index from 2012 for Northern Ireland and from 2013 for Ireland.

## 15.2 Movement in Net Pension Liability during the financial year

	2013	2012	2013	2012
	£	£	€	€
Opening value of scheme's liabilities	6,363,000	5,504,975	7,796,838	6,590,391
Service cost	393,914	345,468	463,834	426,045
Interest on scheme liabilities	266,781	262,896	314,135	324,214
Actuarial (gain)/loss	(132,521)	418,036	(156,043)	515,539
Net transfers (out of)/ into the scheme	(50,047)	3,115	(58,930)	3,842
Benefits paid	(56,174)	(171,490)	(66,145)	(211,488)
Difference on foreign exchange translation	-	-	(155,138)	148,295
<b>Net Pension Liability at 31 December</b>	<b>6,784,953</b>	<b>6,363,000</b>	<b>8,138,551</b>	<b>7,796,838</b>

The actuarial gain in 2013 arose due to a change in assumptions and also an experience gain. The change in assumptions related to an increase in the discount rate used to value the scheme liabilities and also an increase in the inflation rate used to project future benefit payments. The experience gain is due to salary increases being lower than expected.

## 15.3 Analysis of the movement in deficit in the Plan during the period is as follows

	2013	2012	2013	2012
	£	£	€	€
Experience (gain)/ loss	(107,521)	177,036	(126,606)	218,328
(Gain)/Loss on change of financial assumptions	(25,000)	241,000	(29,438)	297,211
<b>Actuarial (gain)/loss</b>	<b>(132,521)</b>	<b>418,036</b>	<b>(156,044)</b>	<b>515,539</b>

## 15.4 Income & Expenditure account analysis

	2013	2012	2013	2012
	£	£	€	€
<b>Analysis of the net deferred funding for pensions is as follows:</b>				
Service cost	393,914	345,468	463,834	426,045
Other finance cost	266,781	262,896	314,135	324,214
Benefits paid during the year	(56,174)	(171,490)	(66,145)	(211,488)
	<b>604,521</b>	<b>436,874</b>	<b>711,824</b>	<b>538,770</b>
	<b>2013</b>	<b>2012</b>	<b>2013</b>	<b>2012</b>
<b>Analysis of the current pension service costs is as follows:</b>				
Service cost	393,914	345,468	463,834	426,045
Other finance cost	266,781	262,896	314,135	324,214
	<b>660,695</b>	<b>608,364</b>	<b>777,969</b>	<b>750,259</b>

Contributions received from members of the North/South Pension Scheme in 2013 amounted to £28,591 (€33,666) (2012: £24,718 (€30,483)). As the North/South Pension Scheme is an unfunded scheme, the member contributions are remitted to the Body's Sponsor Departments.

## 15.5 Deferred pension funding

In accordance with accounting practice for non-commercial State sponsored 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.

The deferred funding asset for pensions as at 31 December 2013 amounted to £6,784,953 (€8,138,551) (2012: £6,363,000 (€7,796,838))

	2013	2012	2013	2012
	£	£	€	€
Opening balance at 1 January	6,363,000	5,504,975	7,796,838	6,590,391
Increase in Deferred Funding of Pension Asset	421,953	858,025	506,133	1,051,372
Difference on foreign exchange translation	-	-	(164,420)	155,075
	<b>6,784,953</b>	<b>6,363,000</b>	<b>8,138,551</b>	<b>7,796,838</b>

## 15.6 History of Defined Benefit Liabilities

	2013	2012	2011	2013	2012	2011
	£	£	£	€	€	€
Deficit as at 31 December	6,784,953	6,363,000	5,504,975	8,138,551	7,796,838	6,590,391
Experience loss/(gain)	(107,521)	177,036	175,519	(126,606)	218,328	202,233
<b>Percentage of Scheme Liabilities</b>	<b>1.6%</b>	<b>2.8%</b>	<b>3.2%</b>	<b>1.6%</b>	<b>2.8%</b>	<b>3.2%</b>

The cumulative actuarial loss recognised in the Statement of Recognised Gains and Losses amounts to £878,830 (€1,034,822).

## 16. Capital Commitments

### 16.1 Capital commitments at 31 December 2013 for which no provision has been made

	2013	2013
	£	€
Contracted	-	-
Authorised but not contracted	-	-
<b>Total</b>	-	-

### 16.2 Other Commitments

	2013	2013
	£	€
<b>Total</b>	<b>6,810,781</b>	<b>8,169,532</b>

This commitment relates to letters of offer and delivery agent contracts of varying durations which were issued prior to the year end, principally 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 2013.

## 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 Jobs, Enterprise 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 Jobs, Enterprise 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

None

### (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. There were no transactions during the year with such organisations.

#### 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. No Board Members or key management staff held official positions in such organisations.

### (iii) North South Pension Scheme

InterTradeIreland 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 2013, a total of £179,268 (Full year 2012:£165,527) 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:

	Land & Buildings				Other			
	2013	2013	2012	2012	2013	2013	2012	2012
Operating Leases which Expire	£'000	€'000	£'000	€'000	£'000	€'000	£'000	€'000
Within one year	-	-	-	-	-	-	-	-
In two to five years	195	234	195	239	2	2	2	2
Over five years	-	-	-	-	-	-	-	-
<b>TOTAL</b>	<b>195</b>	<b>234</b>	<b>195</b>	<b>239</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>2</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 DJEI(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 2013.

## 23. Post Balance Sheet Events

There have been no significant events since the year end 31 December 2013, which could affect these accounts.

## 24. Approval of Accounts

The accounts were adopted by the Board on the 27th May 2014, following approval by the Audit Committee on that date.

## Appendix A

### InterTradeIreland

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

The annual accounts shall give a true and fair view of the income and expenditure and cash flows for the financial year, and the state of affairs at the year-end. Subject to this requirement, the Body shall prepare accounts for the financial period ended 31 December 2013 and subsequent years in accordance with:

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

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

Signed by authority of the:

**Department of Enterprise Trade and Investment**

**Trevor Cooper**



Dated 20 February 2014

**Department of Jobs, Enterprise and Innovation**

**Dermot Curran**



Dated 20 February 2014





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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