

ANNUAL REPORT & ACCOUNTS

2024-25



INVEST NORTHERN IRELAND ANNUAL REPORT & ACCOUNTS

for the year ended 31 March 2025



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17(5) and 18(2) of Schedule 1 to the Industrial Development Act
(Northern Ireland) 2002 by the Department for the Economy.
on
16-10-25



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Performance Report - Overview

The purpose of the overview section of the Performance Report is to give you sufficient information to understand Invest Northern Ireland (Invest NI), its purpose, the key risks to the achievement of the organisation's objectives and how it has performed during the year.

Chair Introduction

Our 2024/25 financial and business performance year started with a new Minister and new economic vision after the restoration of the NI Executive and Assembly in February 2024.

Our then new Minister, Conor Murphy, MLA, began his tenure with a clear economic vision for Northern Ireland. One that has become the bedrock of our three-year 2024-2027 Business Strategy.

The Minister's Economic Vision focused on four pillars:

- Promoting **Regional Balance**
- Increasing the proportion of working age people in **Good Jobs**
- Raising **Productivity**
- Reducing **Carbon Emissions**

We were heartened to see this vision further strengthen with Grow a Globally Competitive and Sustainable Economy as the first priority of the NI Executive's Programme for Government published at the start of March 2025.

Our role is to align our message, policies, and operating model to deliver on this vision and commitment.

Our 2024-2027 Business Strategy is not just a document outlining our targets and ambitions to deliver on the Minister's Economic Vision. With a renewed Vision and Mission, this three-year strategy is also a reset for the agency and an opportunity to draw a line in the sand following the Independent Review of Invest NI.

Both the Board and I have been impressed by the commitment and passion the team at Invest NI has brought to delivering against year one of the strategy.

Our commitment to deliver 65 per cent of investments outside the Belfast Metropolitan Area (BMA) by the end of our strategy has been reinforced by the launch of our Regional Property Programme and the reconfiguration of our Regional Office network from four offices to five.

In this first-year 59 percent of offers, assistance and investment were to businesses outside the BMA or are remote working projects.

We are working with businesses to help increase the number of good jobs across Northern Ireland, and in 2024/25, 97 per cent of the jobs we supported will pay salaries above the Real Living Wage. Almost 50 per cent of jobs to be created by businesses are outside the BMA or are remote working projects.

Addressing productivity is the thread that runs through the centre of our Business Strategy. Last year we launched a new agri-food initiative and have already offered support to five companies in the sector to make significant capital investments to improve productivity. We also hosted a Powering Productivity Conference attended by over 250 delegates to help businesses understand the importance of digitalisation, innovation and sustainability to improving profitability and productivity.

The positive progress and a good outturn against our 2024/25 targets do not detract from the fact that there are still challenges to overcome.

Performance Report - Overview

The new US Administration's commitment to 'America first' policies and approach to trade has brought significant business uncertainty, instability across global markets and global economic turmoil.

As our second largest export market and a significant source of Foreign Direct Investment into NI, doing business with the US is important to Northern Ireland.

Exports to the US account for approximately 15 per cent of all NI goods exports; and US firms we have helped attract here have committed to £360m of investment and nearly 3,000 jobs here in just the last five years.

So, it is with this lens that we watch closely the introduction, pause and potential reintroduction of US Tariffs and the reshoring of US manufacturing. Our teams in market and here in NI are already working closely with stakeholders and partners to identify potential impacts and mitigations for both NI businesses and our economy.

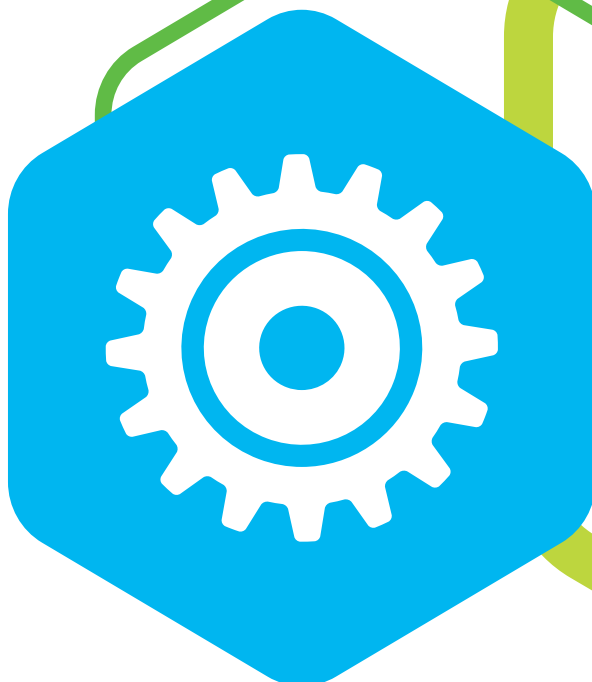
This first year of our new Business Strategy has also been my first year as Chair of the Invest NI Board. It has been a year of listening, learning, hard work and positive engagement. I am grateful for the support and dedication of my Board colleagues, and the team in Invest NI to shape, implement and deliver the new strategy for the agency, and we continue to work towards the operational and cultural change that will ensure we will deliver on our commitments.

Finally, I would like to extend my thanks to our former Minister, Conor Murphy for his support to both Invest NI, and the companies we work with; and extend a warm welcome to our new Minister, Caoimhe Archibald. We look forward to continuing to work closely with the Minister and her officials at the Department for the Economy to deliver an economy that works for everyone.



John Healy
Chair

Date: 02 October 2025



Performance Report - Overview

CEO Review

At the end of my first full financial year as CEO of Invest NI I am pleased to present the annual results for 2024/25 and the first year of our new 2024-2027 Business Strategy – Our Future in Focus.

Our Client company performance

Our current Client portfolio comprises more than 1,500 companies that employ over 130,000 people and generate annual sales of £29 billion and exports of £10 billion. In line with our Business Strategy, we are now tracking the overall FTE employment in our Client Company portfolio, rather than additional jobs, which was the methodology used in previous strategies.

One of the commitments in our Business Strategy is to work with more businesses through an improved client delivery model and better digital engagement. This year, to measure the impact of this increased engagement, we contacted an additional 1,000 companies as part of our Client Performance Indicator (CPI) survey. The data collected from this survey will become the new baseline year data for tracking the impact of our work on a much wider basis and will provide a clearer view of our overall impact.

First year outturn against our Business Strategy

Our 2024–2027 Business Strategy sets out six strategic priorities focusing on business investment, exports, R&D, innovation and skills, sustainability, City and Growth Deals and regional development. These areas have been translated into 47 operational targets to allow us to measure our progress and get early sight of what is progressing well, and where we have areas of challenge.

We have made good progress in our first year and have achieved or exceeded approximately eighty five percent of these targets. We remain confident that we can achieve the longer-term three-year strategy targets, subject to budget availability.

The Performance Review section of this Report provides more detail on our delivery.

Organisational and Leadership Restructuring

Our new strategy provides an external view of how we are aligned to a new economic vision led by the Minister for the Economy. Sitting behind this is significant internal organisational and cultural change within Invest NI.

In the first year of implementing the new strategy, we have refreshed and restructured our leadership team and established a new Executive Committee, which includes three new roles - Chief Commercial Officer, Chief Operating Officer and Chief Development Officer. I am delighted to welcome Anne Beggs to the role of Chief Commercial Officer and Kathryn Hill as Chief Operating Officer. Recruitment for the role of Chief Development Officer is ongoing, and we hope to conclude this exercise by the end of 2025. With this new team in place and supported by new sub-committees, we intend to provide dynamic and decisive leadership to our staff, clients and stakeholders.

We have also carried out a thorough review of our operating model, reprofiling our client base to ensure we reach a wider number of businesses through strategic, targeted or foundational support depending on the size of the business, its export ambitions and growth potential. This new model will see us build the number of businesses we work with to a target of 3,500 clients.

We continue to streamline our processes and introduce new digital initiatives to improve both our efficiency and the experience of our clients when applying for and drawing down against offers of support.

Performance Report - Overview

As stated by the Chair in his overview, the Independent Review is now firmly behind us and our new vision, mission and business strategy are the direction of travel for the future.

A volatile and uncertain world

The geopolitical, economic and operating environment for investors, clients and Invest NI as a development agency has changed significantly over the past twelve months. Ongoing conflicts in Europe, the Middle East and Africa combined with a dramatic change in the approach of the United States to global trade has created a highly volatile and uncertain environment for business. The global economic outlook has deteriorated, sentiment has become more negative, and there are intensifying downside risks.

The psychological impact of the tariffs and changes to trading arrangements, announced by the US administration, will have long-term economic and political consequences. We are at the beginning rather than the end of a period of restructuring of global trade. It is too early to specify the impact of US decisions on the NI economy and the key business relationships for most of our clients will continue to be within the UK and with the European Union (EU).

Beyond tariffs on trade, we have observed some other key trends and developments in our business. More client companies are undertaking R&D, innovation and automation and embracing AI. Improving productivity and sustainability have become key issues for many businesses. The number of jobs associated with individual investment projects is falling, but the quality and average salary of the roles created is increasing. Our clients are ambitious and resilient and wish to continue to reinvest in their business, but constraints related to the availability of infrastructure e.g. water services, planning and land availability, housing or specific skills can be a major obstacle to growth. National policy decisions, such as the increase in National Insurance contributions, and other operating costs are challenging our clients' ability to remain competitive.

In a volatile, uncertain, complex and ambiguous global environment, we must focus on making the long-term investments that will increase the productive capacity, capabilities and competitiveness of our economy.

Constrained budget environment

Invest NI has long lobbied for multi-year budgets to enable a more certain and long-term approach to our business and economic development activities. The investments that we are incentivising and supporting our clients to make are, by their very nature, multi-year projects often running for three, five or even seven years.

Unfortunately, we have started the second year of our three-year strategy with a resource budget reduction that places some of our targets at risk and which has the potential to jeopardise the full achievement of the objectives and targets that we set out to accomplish by 2027. In particular, the absence of sufficient budget allocation for our new land and property strategy will impact on our ability to meet requests for sites from clients as well as the overarching goal of improved regional balance.

We fully appreciate the fiscal constraints and, in response, will seek to mitigate the impact of the lower budget and continue to pursue the targets that we have set.

Personal Reflection

The launch of our new three-year Business Strategy was a personal highlight of the year. Not just as it sets out a clear direction of travel for the agency, but also for the partnership working that went into its development. This strategy has been shaped by our clients, stakeholders and our parent Department and, therefore, represents a collective ambition for our economy.

Performance Report - Overview

The Minister, our staff, over 50 client companies and other partners came together for a launch event in November 2024 that both celebrated everything that we have already achieved and set out our new vision for the future.

I have spent much of the past year travelling across the region to meet with clients, stakeholders and Invest NI colleagues and have observed a society and economy full of talent and ambition. This represents a foundation for further success.

Finally, I would like to express my gratitude to the Minister, our Chair, the Board and colleagues in Invest NI, the Department for the Economy and our clients and partners for their contributions to what we have delivered to date and look forward to further progress in 2025/26.



Kieran Donoghue
Chief Executive

Date: 02 October 2025



Performance Report - Overview

New Minister, new vision, new strategy

2024/25 marked the start of a new era for Invest NI.

A new Economic Vision was announced by the Minister for the Economy in February 2024. It focused on four priorities: to increase the number of good jobs, to raise productivity, to decarbonise our economy, and to deliver much improved regional balance.

In line with the Minister's Vision, we launched a new three-year Business Strategy (2024-27), structured around six strategic priorities:

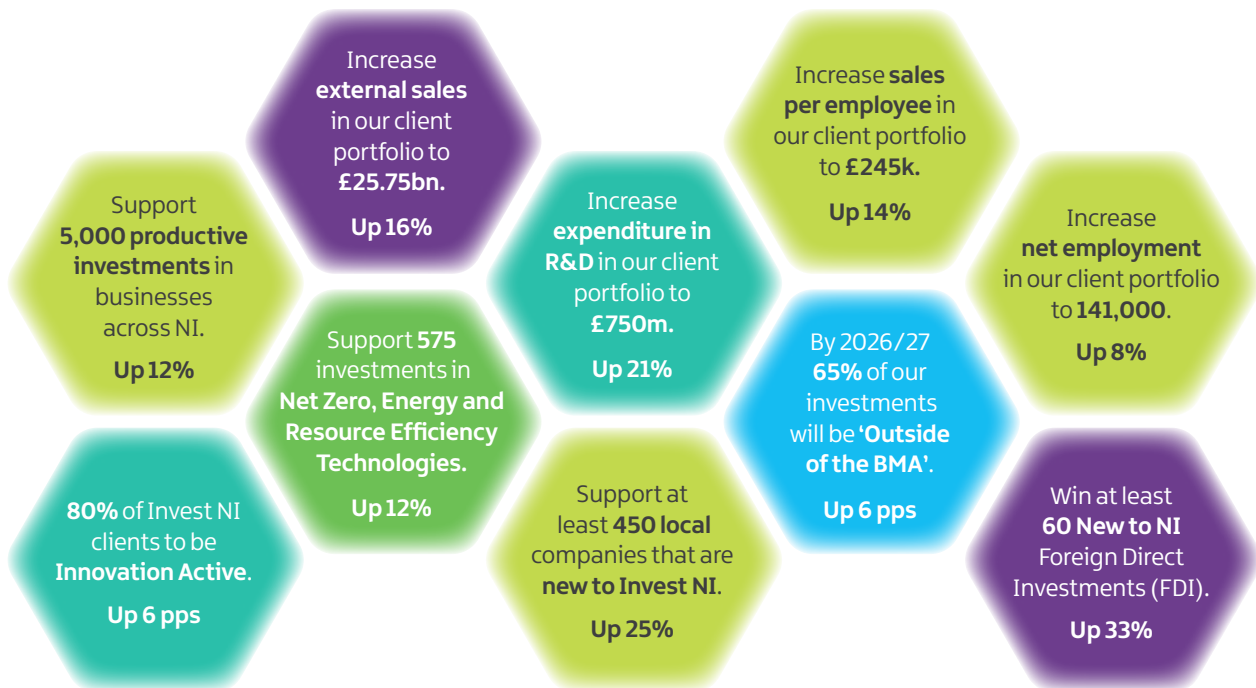
-  **BOOSTING BUSINESS INVESTMENT**
-  **DEVELOPING AND ACHIEVING SUSTAINABILITY**
-  **ACCELERATING INNOVATION AND SKILLS**
-  **MAXIMISING CITY AND GROWTH DEALS IMPACT**
-  **DRIVING GLOBAL AMBITION**
-  **PROMOTING PLACES AND PARTNERSHIPS**

Under each of these priorities, we set ambitious business development objectives and targets that will support delivery of the Minister's Vision.

Performance Report - Overview



Strategic objectives



Supporting metrics

BOOSTING BUSINESS INVESTMENT	ACCELERATING INNOVATION AND SKILLS	DRIVING GLOBAL AMBITION	DEVELOPING AND ACHIEVING SUSTAINABILITY	MAXIMISING CITY AND GROWTH DEALS IMPACT	PROMOTING PLACES AND PARTNERSHIPS
<ul style="list-style-type: none"> • 30 Agri-food investments totalling £250m • £50m productivity improvement through OpEx & supply chains • 60 innovation driven start-ups 	<ul style="list-style-type: none"> • 1,200 companies innovation recognised • 1,650 R&D&I investments totalling £435m • 100 companies new to R&D • 475 leadership, training & skills investments totalling £95m 	<ul style="list-style-type: none"> • 675 investments in overseas sales capability totalling £6m • 1,000 companies to sell into new markets • 450 companies to sell outside NI for the first time 	<ul style="list-style-type: none"> • 575 ERE investments totalling £26m • Secure 30ktCO2e savings through ERE programmes • 200 sustainability development plans • 150 low carbon & green investments totalling £200m 	<ul style="list-style-type: none"> • 8 strategic Invest NI interventions with C&CG Projects • £245m C&GD investment • 500 business engagements • 25 C&GD promotion events 	<ul style="list-style-type: none"> • 65% of investments outside of Belfast Metropolitan Area (BMA) in 2026/27 Secure minimum regional targets outside BMA of: <ul style="list-style-type: none"> • 3,134 investments • £790m investment • 4,268 new jobs

Our strategy also sets out how Invest NI is changing in response to the Independent Review. This included a new statement of our mission and vision, a new client definition and operating model and a commitment to restructure and renew the organisation to create a world-class development agency.

Performance Report - Overview

We have now completed the first year (2024-25) of our new strategy and have delivered an impressive set of results against our year one ambitions and targets. We explore each by strategic theme below.

The productivity challenge

Increasing productivity is no longer a mere aspiration; it's a fundamental imperative for business survival. Businesses with higher productivity and lower costs per unit of output are more competitive in both domestic and international markets. This can lead to increased exports, job creation, and economic prosperity. Therefore, fostering productivity is a crucial goal for governments, businesses, and individuals alike.

The productivity gap between NI and the UK average presents a £7 billion growth opportunity for our economy^[1]. To close the productivity gap, we must incentivise businesses to invest in the drivers of productivity, such as innovation, skills, leadership, and technology including digitisation, automation and AI.

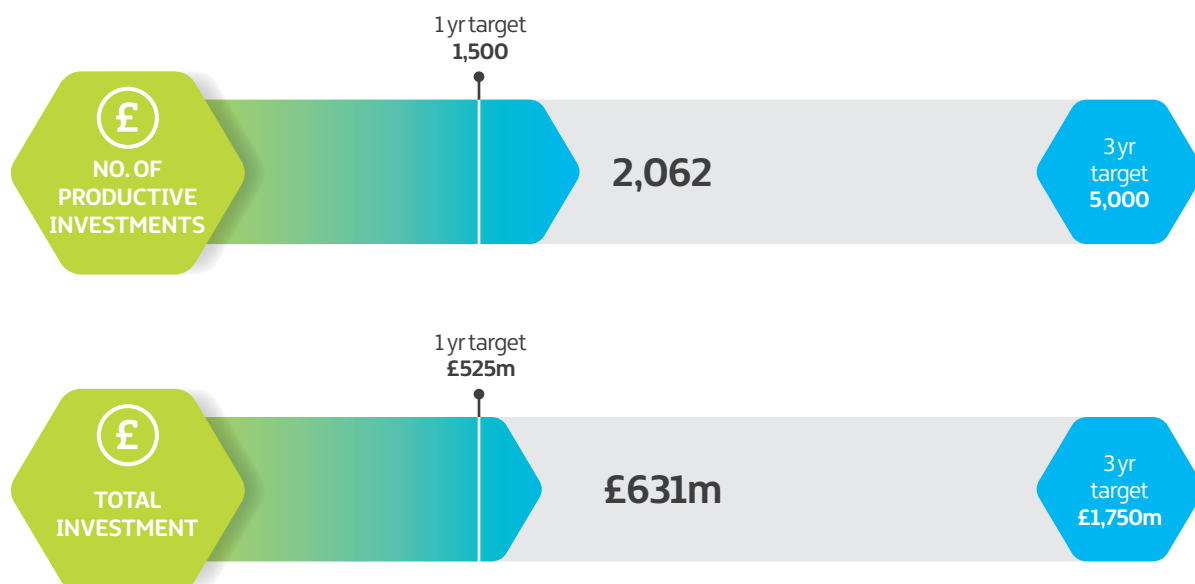
Supporting productive investments is therefore one of the primary objectives of our Business Strategy. Everything we do across our range of support programmes and interventions is designed to contribute to achieving this overarching strategic objective.

Boosting business investment

Encouraging and supporting our clients to invest is a key objective of our strategy as this investment is critical to delivering the positive business, economic and social outcomes, which are the objective of public policy.

In this context, we set a three-year investment target of 5,000 productive investments across NI totalling £1.75bn of investment and a year one 2024-25 target of 1,500 investments with a value of at least £525m.

In the first year of the strategy, we have delivered more than 2,000 investments representing a total investment value of £631 million.



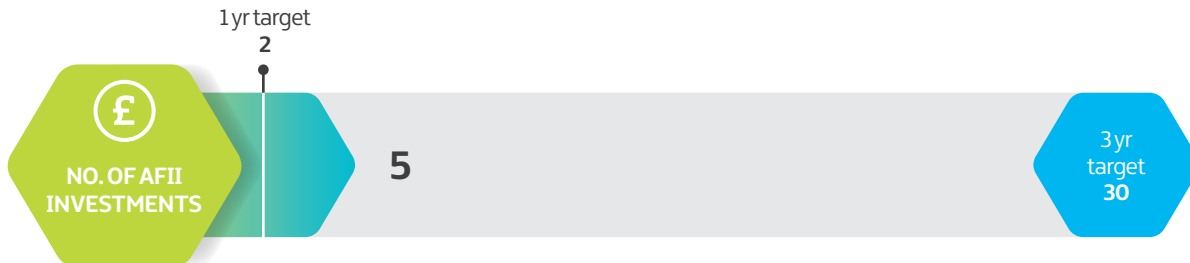
Given the importance we attach to growing productivity in our client base, during the first year of our strategy we launched a new £46m scheme to help improve the overall competitiveness and productivity of the agri-food and drink processing sector in Northern Ireland.

¹ PwC UK Economic Outlook September 2022

Performance Report - Overview

Over the period of our Business Strategy, we aim to support at least 30 investments and £250m of investment by companies in the sector to improve productivity.

In 2024/25 we offered support towards five such investments, exceeding our year one target.



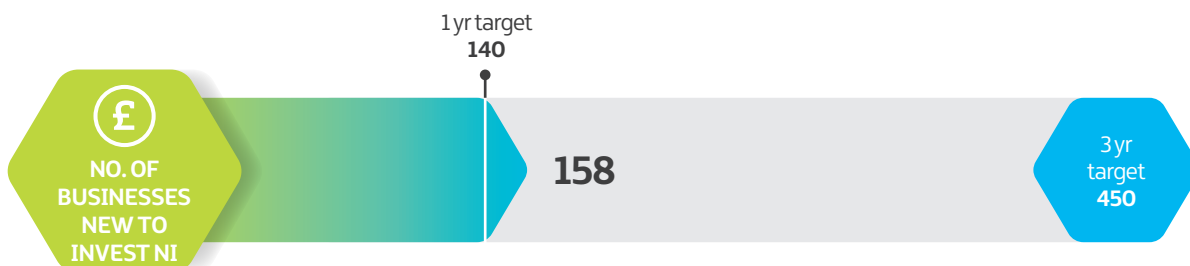
The first of these was a £6m investment by the Mackle Foods Company in Dungannon. The company is introducing new automation processes and replacing manual activities with advanced robotics. The impact of this investment will be felt across multiple strands of the business: improved efficiency, reduced waste and significantly increased output.

We also supported productivity improvements by helping businesses invest in operational processes and supply chains. For example, Ballymena based Norbev received one-to-one supply chain coaching which has led to significant savings to the business.

Shona Blythe, Managing Director of Norbev said “the one-to-one coaching gave us a fresh perspective on our current supply chain and helped us to identify areas where we could improve efficiency, reduce costs and drive our productivity.”

Investment by our client companies is critical to delivering positive economic and social outcomes throughout Northern Ireland. As part of our commitment to work with even more businesses, over the next three years we have set a target to support 450 locally-owned companies that are ‘new to Invest NI’.

In 2024/25 we offered support to 158 locally-owned companies which we have not worked with before. Nearly half of these businesses are located outside the Belfast Metropolitan Area (BMA), contributing to our commitment towards regionally balanced investment.



Our very successful Ambition to Grow programme is one of the initiatives that has enabled us to work with more micro and Small to Medium Enterprise (SME) businesses than ever before. These are companies that would not have traditionally met our client criteria. Last year 109 companies successfully applied to the programme and will receive financial assistance and guidance to help develop the business, produce a marketing plan, and create new employment.

We are also helping more entrepreneurs to bring their business ideas to life. During 2024/25 we helped 19 innovation driven start-ups (IDSU) do just that.

Performance Report - Overview

Our £5m FounderLabs and pre-accelerator programme, part funded by the UK Government's New Deal for Northern Ireland, is another mechanism that we are using to help more early-, and very early-stage businesses succeed. Alongside financial support for those participating on FounderLabs, entrepreneurs receive specialist support, mentoring and industry advice, giving them a greater chance of success and helping create a pipeline of potential new businesses of the future.

“What I'm really looking forward to getting out of the programme is the next steps - how to raise investment, how to use those insights that I get from the first testing and how to take that and build those learnings into a successful software as a service product.”

Karen McCormick, Founder of InCharge

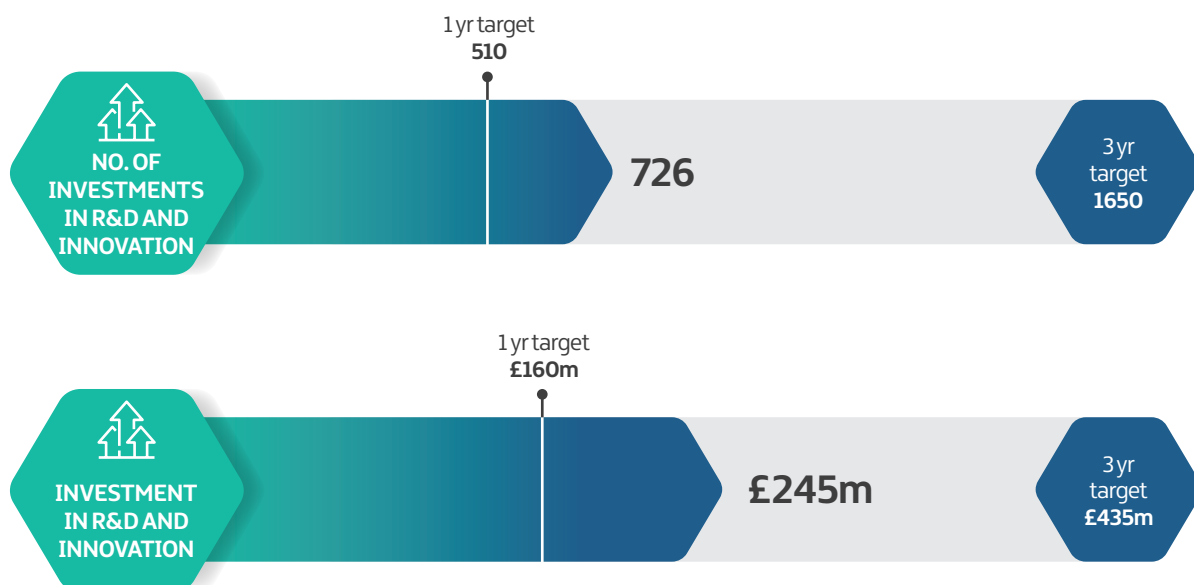
Accelerating innovation and skills

Northern Ireland has a rich history of innovation, and that spirit continues today in sectors such as aerospace, cybersecurity, advanced manufacturing, and life sciences.

That said, not enough companies are innovating, or recognise that they are. We therefore have two goals over the course of this strategy – help more companies recognise when they are innovating; and help stimulate more investment in R&D and innovation across more companies to increase their competitiveness and productivity.

Through Innovate NI we are building more awareness of the importance of innovation, recognising companies that innovate through an accreditation programme. In 2024/25 593 companies were awarded with bronze, silver, gold or platinum accreditation, up by almost 80 per cent on last year.

Over the next three years we want to help stimulate 1,650 investments and £435m of investment in research & development (R&D) and innovation. We have made great progress towards these targets in this first year.



As part of this support, we helped 51 companies invest in R&D for the first time, against a three-year target of 100. This was in part due to a very successful Boosting R&D initiative which incentivised local companies to carry-out first-time R&D and innovation.

We also launched an £11m Cluster Acceleration Programme to provide financial support to groups of SMEs and stakeholders to carry out projects that could not be achieved by individual companies on their own. It will support groups to come together to collaborate on new products or processes, address challenges such as skills and employment gaps, or increase export capabilities and improve productivity.

Performance Report - Overview

As a result, the businesses that participate in these clusters will have higher levels of innovation, productivity and resilience.

As well as investing in new products and processes, companies also need to invest in skills development to equip staff for the future, especially in the areas of digitalisation and automation.

Innovative businesses with skilled employees are more productive, encourage business growth, and can future proof our industries while ensuring we stay competitive in international markets.

In 2024/25 we supported £31m of investment in leadership, training and skills, a 55 per cent increase on last year.

“It was great to be on the Leader Programme and learn so much over the last ten months. [...] The help from both the coach and mentor was really important to build a business growth plan which we have taken back to the business to implement.”

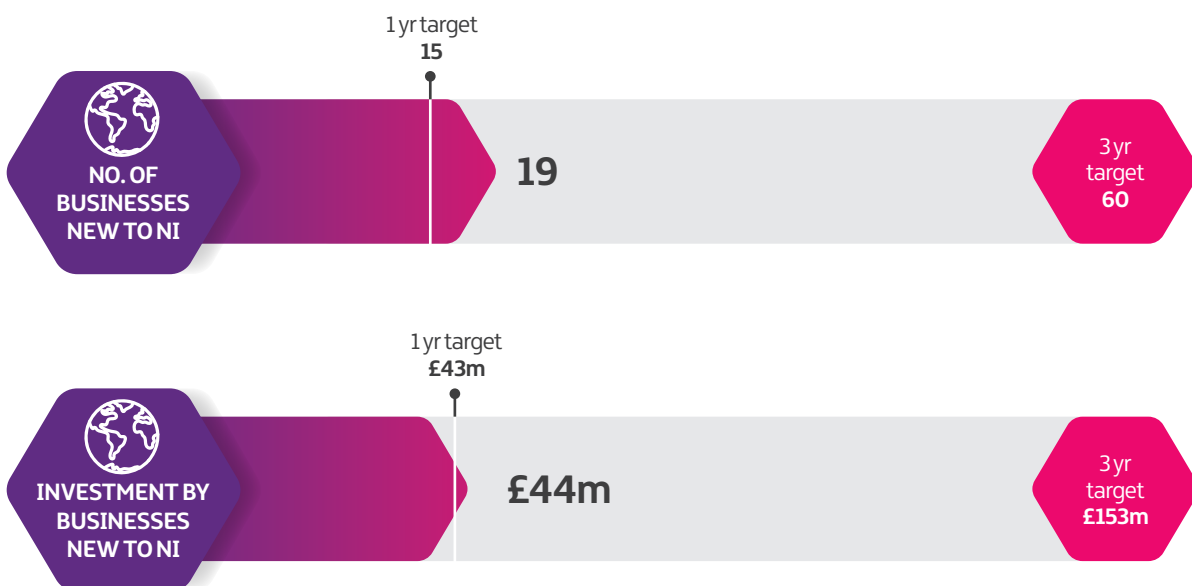
Joanne Kearney, Managing Director, GlowMetrics

Driving global ambition

We want to position Northern Ireland as a leader among the world's Small Advanced Economies. To do this, we need to find and exploit commercial opportunities around the world, take advantage of our unique dual market access, and simultaneously attract more high-value inward investment.

During 2024/25 the Minister joined us on a number of overseas visits including New York, Boston, Toronto, Chicago, Berlin, and Singapore. These visits provided opportunities to engage with both government representatives and businesses and highlight both trade and investment opportunities in Northern Ireland.

During 2024/25 we secured 19 new inward investment projects from businesses that were new to Northern Ireland – up 27 per cent on last year. These investments came from GB, Ireland, India, Canada, the US and Cayman Islands and were secured through the provision of both financial and non-financial support including data and analysis, guidance and advice, peer introductions and information on NI as an investment location. Collectively, they will deliver investment of £44m into our economy.



Performance Report - Overview

“Having seen firsthand the high level of financial expertise in Northern Ireland, I knew this was the ideal location for Paget-Brown’s expansion. Northern Ireland provides access to a highly skilled workforce with the regulatory, governance, and financial expertise we need to serve our clients worldwide.”

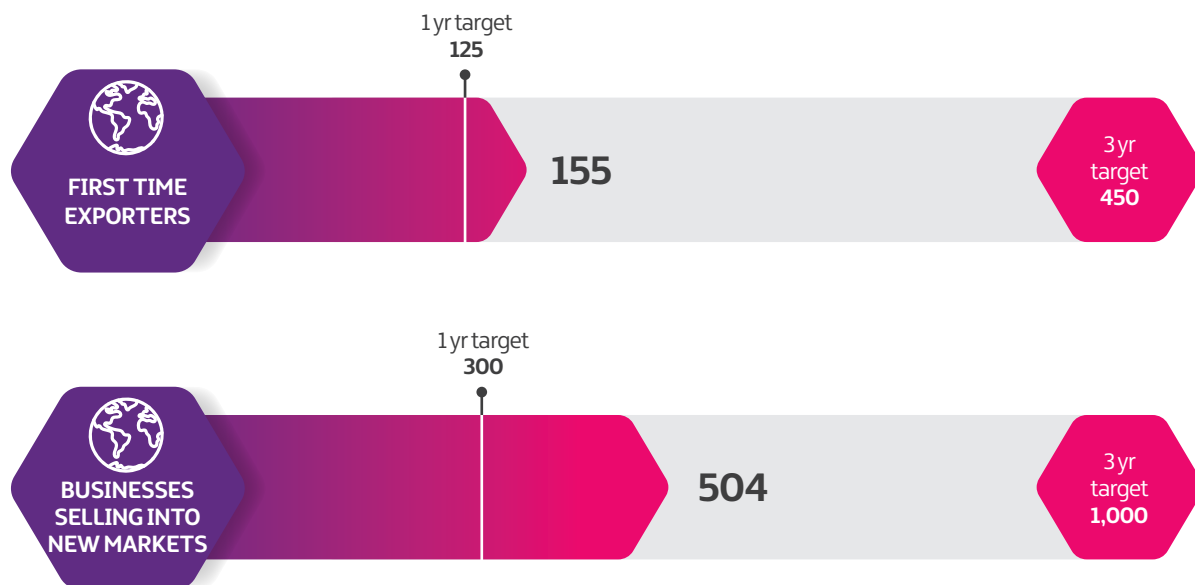
Ryan Cooke, Director, Paget-Brown

We also supported reinvestments from investors including Japanese firm, Nihon Cyber Defence. In an environment where the number of contestable mobile investment projects is decreasing, and for a country of our size, this is a very successful outcome.

While we exceeded our inward investment target, we did not deliver the jobs target for this category of investment as the number of jobs associated with each investment was less than expected. This is a trend that we have observed in recent years as firms digitise and automate more of their processes and embrace AI.

Exporting drives wider economic growth so helping Northern Irish companies to export for the first time, or expand into new markets, continues to be a constant of our business strategy.

Not only did we exceed our targets in both these areas this year, but we are also half-way to our three-year target to support companies to sell into new markets.



The results highlighted above represent a 20 per cent and 25 per cent increase, respectively, on last year.

Lisburn company, CASC, secured £10m of contracts in the renewables sector as a direct result of attending an Invest NI sponsored trade mission.

“Since setting up in 2014, we have taken our locally developed skills across the globe. [...] Invest NI’s support to help us grow and diversify, build capacity and capability, and develop a presence and brand awareness overseas has been a vital component in our success.”

Karl Crockard, Managing Director of CASC

Our support isn’t always financial. Our team in Düsseldorf helped energy services company Joulen with market research, due diligence, and navigating the complexities of the German business landscape. This advice and guidance helped the company win a £4m contract, its first major export deal.

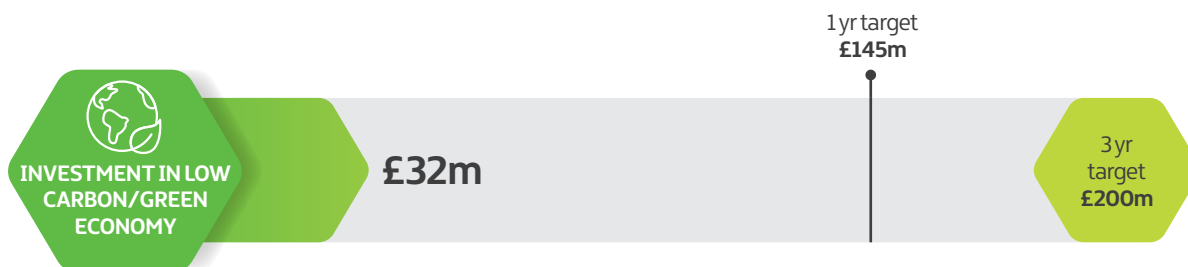
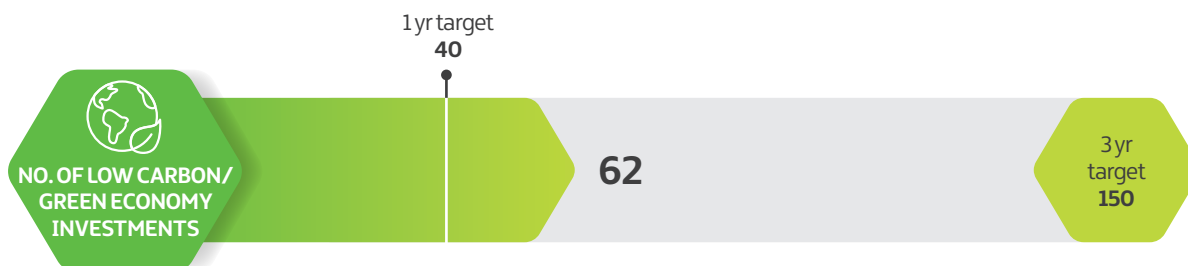
Performance Report - Overview

Developing and achieving sustainability

Forecasts suggest green investment could create over \$10 trillion in global GDP by 2050. With a strong foundation in manufacturing, innovation and green technology Northern Ireland has the potential to become a leader in the green economy.

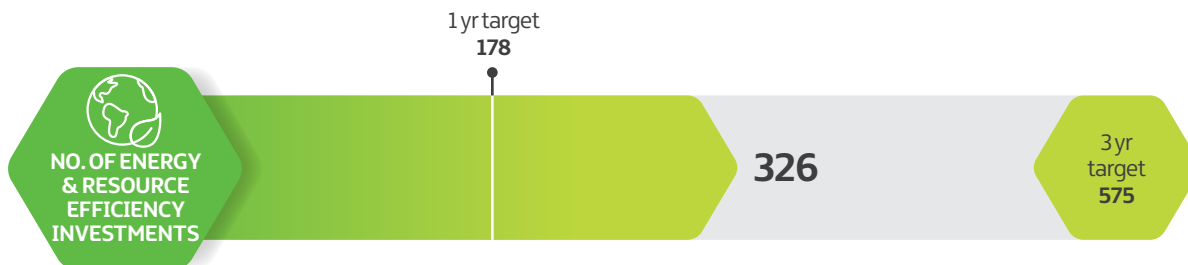
Businesses here are already making their mark in this relatively new industry by developing cutting-edge technologies for the low-carbon economy.

During the year we helped businesses make investments to diversify into the low carbon and green economy. While we exceeded our target in the number of investments, the value of those investments was lower than hoped due to delay in the timing of a small number of large projects. These will now be secured early in 2025/26 enabling us to retrieve the current profile shortfall and set us up to achieve our three-year investment target.

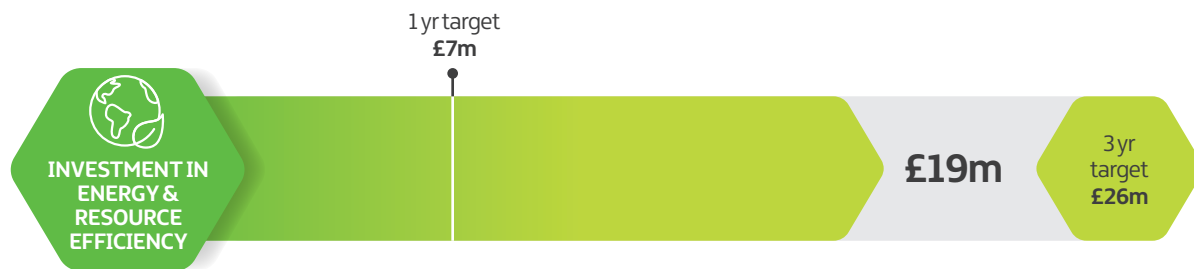


To accelerate Northern Ireland's decarbonisation journey, we need to embed fully sustainable approaches across all industries and help our businesses seize the opportunities this creates.

We have a dedicated portfolio of initiatives designed to help businesses improve energy efficiency and contribute to Northern Ireland's Net Zero targets. From technical consultancy, to grants to invest in energy efficient equipment and resource efficiency, we've helped secure 326 energy and resource efficiency investments totalling £19m, more than double our target for the year.



Performance Report - Overview



In May 2024, we launched a new £20m Energy Efficiency Capital Grant programme. The grant provides funding to businesses to purchase and install energy efficient equipment that will help to reduce energy consumption and carbon emissions. It has received significant interest, with over 1,400 enquiries in the first year of operation, well exceeding our expectations. We have made our first offers of support and expect to announce some of these investments soon.

Maximising the impact of City & Growth Deals

We believe the City & Growth Deal projects have the potential to be vehicles for both sectoral and regional development. Investment through the Deals will make Northern Ireland more attractive for international investment but also strengthen the capabilities of existing clients both foreign and domestic. They will stimulate a culture of innovation that will allow our region to be recognised as a leader in areas such as drug discovery, environmental sustainability, data analytics and other transformational technologies.

Our role is to oversee delivery of the majority of the innovation and digital investments across the Deals, on behalf of the Department for the Economy. This currently extends to some 24 projects, representing approximately £700m of new investment.

We also work with Deal partners to ensure their projects are commercially focused and industry relevant. We specifically want to make sure the projects are future proofed to boost economic productivity, generate good jobs, and have sustainable long-term outcomes.

We are doing this by holding events locally and internationally to promote the benefits of collaboration with the projects to business, partners and stakeholders. Last year we helped 190 businesses to engage with City & Growth Deals and Complementary Fund projects. For example, the Advanced Manufacturing Innovation Centre (AMIC) is currently working with a group of materials handling businesses on automated welding solutions to improve productivity. It has also been collaborating with CAFRE college in Cookstown to support agri-tech businesses become more efficient through optimising automation practices.

Promoting places and partnerships

We must ensure that communities right across Northern Ireland share in our economic growth. The Department for the Economy has made £45m of funding available to support Local Economic Partnerships to identify initiatives and investments to support growth in every region. This partnership between stakeholders, including Invest NI, brings a shared focus to delivering regional balance across Northern Ireland.

We have also introduced a new regional approach with an expanded network of regional teams and a new Land and Property strategy to improve the geographic distribution of investment as well as a commitment to deliver 65 per cent of our investments outside of the Belfast Metropolitan Area (BMA) by the end of our Business Strategy in 2027.

Performance Report - Overview

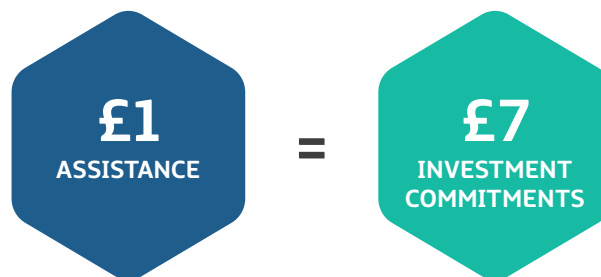
While we fell slightly short on our 60% target, this first year was about putting in place the mechanisms to affect real change in this area. Our focus will now shift to accelerating performance across all areas through the remaining years of the Business Strategy.



To conclude

During 2024/25 we offered £88m of assistance to 1,334 businesses and provided advice, free resources, training and webinars to many more.

As a result of this support, £631m of investment will flow into our economy, a 22 per cent increase on last year.



The purpose and activities of the organisation

Invest NI is a 'Non-Departmental Public Body' (NDPB) established on 1 April 2002 under the Industrial Development Act (Northern Ireland) 2002, which operates under a Board which is the body corporate.

As the regional business development agency, Invest NI's role is to grow the local economy. We do this by helping new and existing businesses to compete internationally, and by attracting new investment to Northern Ireland.

We are an arm's-length body of the Department for the Economy (DfE) and provide strong government support for business by effectively delivering the Government's economic development strategies.

In addition to the Bedford Square headquarters, Invest NI also has other offices in Northern Ireland, Great Britain, Republic of Ireland, Continental Europe, Americas, Africa, the Middle East and in Asia-Pacific. The activities of the overseas offices support a wide range of Invest NI's economic development objectives by promoting Northern Ireland as a prime location for investment and developing trade opportunities for Northern Ireland's companies.

The consolidated financial statements include the results of Invest NI and its subsidiary undertakings: Bedford Street Developments Limited (BSDL); MRDE Limited; Bedford Street Management Company Limited; and MRDE FM Limited. Invest NI owns the entire ordinary share capital of Northern Ireland Co-Operation Overseas Limited (NI-CO) and the BSDL Group, which is further disclosed in note 10 to the accounts.

Performance Report - Overview

On 29 August 2024 NI-CO entered into a Members Voluntary Liquidation (MVL). The results up until this date have been consolidated into the Invest NI Group Statement of Comprehensive Net Expenditure on page 85. At the point of entering into the MVL, NI-CO was reclassified as a financial asset and is held at fair value at 31 March 2025.

The information relating to the NI-CO cessation of trading and subsequent liquidation are outlined on page 55.

Key issues and risks

Invest NI's Risk Appetite Statement, which was approved by the Board in February 2024, recognises that as an economic development agency, we need to embrace risk to a greater extent than the majority of public sector organisations. The organisation continues to take a systematic and proactive approach to identifying and articulating the risks that could have a significant impact on its business, results and financial position.

In terms of the environment in which Invest NI operated during 2024-25, the organisation's ability to plan and deliver continued to be impacted by the absence of a multi-year budget and in-year budgetary constraints. This budgetary uncertainty, together with uncertainty arising as a result of macro-economic and geo-political factors impacting NI companies and potential investors, may impact on our ability to deliver against the DfE Minister's Economic Vision. As the organisation evolves and restructures to continue with the delivery of that economic vision, there is also the potential for temporary uncertainty to arise as a result of change at senior levels.

The Corporate Risk Register is reviewed at each regular meeting of the Invest NI Board Audit & Risk Assurance Committee and is a standing item on the Oversight and Liaison meetings between Invest NI and DfE. The most significant business risks are those where the residual risk is rated in the "very high" category. Two such risks are detailed in the table below, along with a further risk (rated as "high") that has the potential to impact on the group's business going forward:

Risk	Residual Risk Rating
Effective planning and delivery are hindered by budget and funding uncertainty.	Very High
Invest NI fails to deliver against the DfE Minister's Economic Vision.	Very High
Uncertainty arising as a result of change at senior levels.	High

Further details about these risks, including their potential impact and the strategies adopted by the group to mitigate them, can be found on page 21, while further information on the group's risk management process through our risk and control framework is at page 56.

Performance Report - Performance Analysis

2024/25 Targets and Achievements

Invest NI's new Business Strategy, published in November 2024, outlines its key strategic objectives and supporting metrics for the three-year period 2024/25 to 2026/27.

Our Strategic Target Framework

The Strategic Target Framework is a mix of key strategic targets focused on: (i) the performance of our Clients (assessed through our annual client survey), and (ii) investments by our Clients each year, supported by Invest NI (Business Plan investment targets). Through this holistic approach, we hope to support the greatest economic benefits for our Clients, and by extension the maximum impact on the wider NI economy, through our day-to-day actions.

Our Client Survey – Client Performance Indicators (CPIs) 2024

Our current Client portfolio comprises more than 1,500 companies that employ over 130,000 people and generate annual sales of £29 billion and exports of £10 billion.

Each year we measure the performance of these companies across employment, sales exports, external sales and R&D spend. This is a measure and indicator of the impact of our work and engagement with companies beyond a Letter of Offer for a specific project.

The table below details the business performance of our Client Company portfolio over the past 5 years.

CPI	2020 Outcome	2021 Outcome	2022 Outcome	2023 Outcome	2024 Outcome
Employment (FTE)	126,099	129,949	134,702	129,337	129,101
Sales (£bn)	21.6	22.8	26.6	28.2	28.9
External Sales (£bn)	16.7	17.7	20.9	22.2	22.9
Exports (£bn)	7.6	7.8	9.2	10.0	10.2
Business Expenditure on R&D (£bn)	0.5	0.5	0.5	0.6	0.7
Sales per Employee (£)	171,058	175,573	197,823	218,080	223,933

The 2024 outcome represents performance in the first year of our Business Strategy, with 2023 recorded as the baseline year. In line with our Business Strategy, we are now tracking the overall FTE employment in our Client Company portfolio, rather than additional jobs, which was the methodology used in previous strategies.

One of the commitments in our 2024-2027 Business Strategy is to work with more businesses through an improved client delivery model and better digital engagement.

This year, to measure the impact of this increased engagement, we contacted an additional 1,000 companies as part of our Client Performance Indicator (CPI) survey. The data collected from this survey will become the new baseline year data for tracking the impact of our work on a much wider basis and will provide a clearer view of our overall impact.

Business Plan 2024/26 Investment Targets

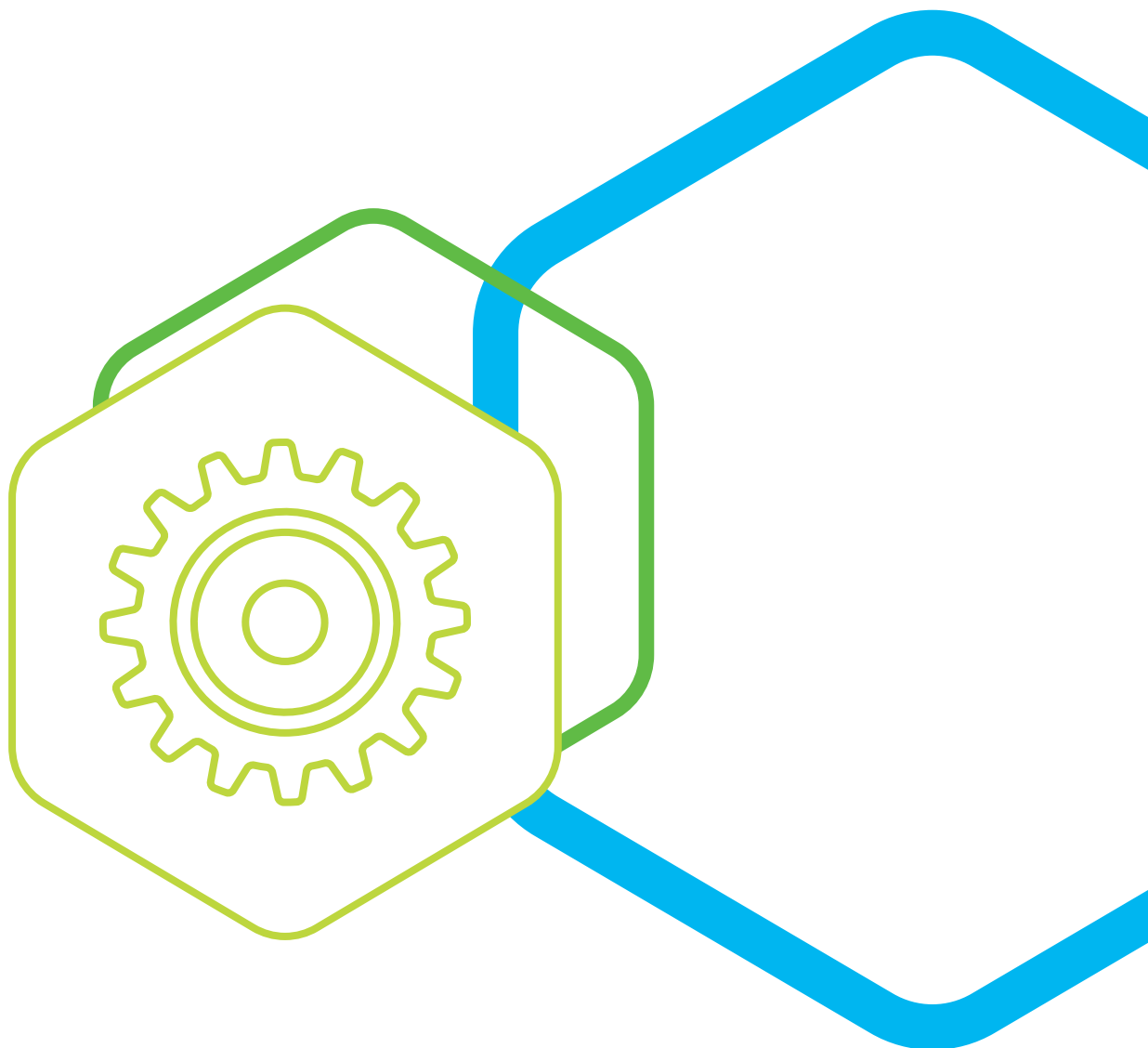
In support of our annual CPI data, we target and track performance against a series of aligned activity measures laid out in our Business Plan. As the publication of our strategy was delayed into the Autumn of Year 1 of our strategy, we developed a two-year Business Plan. This was designed to cover Years 1 (2024/25) and 2 (2025/26) of our strategy.

Performance Report - Performance Analysis

At the end of Year 1, we have made good progress against the two-year targets (an aggregation of 2024/25 and 2025/26 annual targets) outlined in our 2024/26 Business Plan.

We are presently on course to achieve or exceed 39 (83%) of the 47 overall 2 Year targets contained within the Business Plan. The remaining 8 targets (17%) will require corrective action across 2025/26 to retrieve the present shortfall against the two-year target profile.

Performance against the most significant activity targets of the 2024/26 Business Plan that drive progress towards the CPIs is summarised in the following table.



Performance Report - Performance Analysis

Priority	Driver / Activity	2024 /25 Target	2025 /26 Target	2 Year Bus Plan Target	Outturn @ 31 March 25	Still to do @ 31 March 25	Categorisation (Green/ Amber / Red)	
Boosting Business Investment	Productive Investment & Good Jobs							
	1. Support investments in Locally Owned Companies 'Expanding in NI'	No of investments	175	200	375	226	149	●
		Investment (£m)	£85m	£100m	£185m	£147m	£38m	●
		No of New Jobs	1,100	1,150	2,250	1,411	839	●
	2. Includes: Supporting Investments in Companies Productive Capacity (Agri-Food Investment Initiative)	No of investments	2	12	14	5	9	●
		Investment (£m)	£6m	£128m	£134m	£37m	£97m	●
	3. Support Access to Finance Growth Investments in Local Companies	No of investments	90	90	180	123	57	●
		Investment (£m)	£45m	£45m	£90m	56	34	●
	Entrepreneurship & Enterprise							
	4. Support investments in Locally Owned Companies 'New to Invest NI'	No of investments	140	150	290	158	132	●
Investment (£m)		£30m	£42m	£72m	£51m	£21m	●	
5. Support Innovation Driven Start-ups (External and Local)	No of New Jobs	500	525	1,025	601	424	●	
	No of IDSUs	15	20	35	19	16	●	
Accelerating Innovation & Skills	Innovation Research & Development							
	6. Support Companies to undertake a 'R&D Investment'	No of investments	60	75	135	133	2	●
		Investment (£m)	£150m	£125m	£275m	£229m	£46m	●
	7. Includes: Supporting Companies to Invest in R&D for the 'First Time'	No of investments	30	30	60	51	9	●
	8. Support Businesses to Invest in 'Innovation and Digitalisation'	No of investments	450	475	925	593	332	●
		Investment (£m)	£10m	£12m	£22m	£16m	£6m	●
	Leadership, Training & Skills							
	9. Support Companies to Invest in 'Leadership, Training and Skills Development'	No of investments	155	160	315	171	144	●
		Investment (£m)	£30m	£33m	£63m	£31m	£32m	●
	Driving Global Ambition	External Sales & FDI						
10. Support Business Investments in 'Developing Overseas Sales Capability'		No of investments	200	225	425	299	126	●
		Investment (£m)	£2.0m	£2.2m	£4.2m	£2.9m	£1.3m	●
11. Support Investments in Externally-Owned Companies that are 'New to NI'		No of investments	15	20	35	19	16	●
		Investment (£m)	£43m	£40m	£83m	£44m	£39m	●
		No of New Jobs	900	1,125	2,025	560	1,465	●
12. Support Investments by Externally Owned Companies that are 'Expanding in NI'		No of investments	15	20	35	14	21	●
		Investment (£m)	£118m	£40m	£158m	£35m	£123m	●
		No of New Jobs	500	500	1,000	448	552	●
Developing and Achieving Sustainability		Net Zero & the Green Economy						
	13. Support Companies to decarbonise through greater use of 'Energy and Resource'	No of investments	178	190	368	326	42	●
		Investment (£m)	£7m	£9m	£16m	£19m	+£3m	●
	14. Support Companies to invest in growth in the 'Low Carbon and Green Economy'	No of investments	40	50	90	62	28	●
		Investment (£m)	£145m	£25m	£170m	£32m	£138m	●

KEY

● Target on course to be achieved.

● Target behind profile, but retrievable with corrective action.

● Target behind profile, not retrievable.

Performance Report - Performance Analysis

Performance Commentary

Performance across the first year of our two-year Business Plan as demonstrated in our year end statement was strong. When our 2025/26 budget allocation became clearer, a significant effort was made across the final quarter of the 2024/25 financial year to maximise performance to help mitigate impacts where we face budget challenges in Year 2.

Key performance highlights are addressed in the performance overview section with specific highlights drawn out again below:

- Exceptional progress was made in Year 1 across targets within the Innovation, Research & Development driver (Targets 6,7 & 8). This is the result of (i) a significant demand stimulation programme delivered across NI to seek out, identify and support suitable investments by our Clients in this area; and (ii) programme improvement initiatives to make our support more accessible and attractive to a broader range of companies.
- Our performance with Local Companies has been excellent, with strong numbers of Local Expansions (Target 1) and Local Companies New to Invest NI (Target 4) supported. Targeting locally-owned companies new to Invest NI and broadening our support to a more diverse Client base is critical for us to achieve the objectives of the Minister's Economic Vision. In addition, recognising the emergence of growing uncertainty within the Foreign Direct Investment (FDI) market during Year 1, as a result of major macro-economic and international policy factors, we sought to accelerate and maximise outturns within Locally-owned Companies to mitigate what we expected to be a challenging FDI environment in the short to medium term. Unfortunately, conditions in relation to our FDI targets (Targets 11 & 12) remain volatile and we will continue to work closely with businesses to find solutions to these challenges, promoting our strengths and proposition to maximise FDI outturns.
- Demand and interest in our new Energy Efficiency Capital Grant programme, launched at the beginning of 2024/25, has helped spark major investment activity by businesses across all aspects of Energy and Resource Efficiency (Target 13). NI's businesses clearly see the potential productivity, profitability and competitive benefits of investing in this important area. We have supported as much activity as we can to meet this significant interest and demand in Year 1. We are also working closely with Departmental colleagues to identify ways to continue to support this demand over the long term to drive significant carbon and cost savings for businesses.
- Finally, at the end of Year 1, we are presently behind profile with regards to supporting investment in the low carbon and green economy (Target 14). Whilst we are on track with the number of investments we have supported, delays in timing for a small number of larger scale projects has left us behind profile with regards to the value of investment at the end of year 1. We now expect to secure these projects early in 2025/26 which will retrieve the present profile shortfall.

A significant effort has been made to stimulate and build our pipeline of future Work in Progress (WIP). WIP levels heading into Year 2 (2025/26) of our two-year Business Plan are very healthy across all areas, and on the basis of geographical location, investment size and business size. Unfortunately, our resource budget allocation for 2025/26 is below the level needed to keep pace with our strategic ambition, so we will need to take steps to manage activity to operate within the budgetary framework we have been set, while maximising the impact that we can have, where possible. However, in the specific areas of Local Employment, FDI, trade and skills it is unlikely that we will be able to fully avoid some performance impacts across 2025/26.

Performance Report - Performance Analysis

Performance Data Risk

The risk and control framework of Invest NI is explored in detail in the Corporate Governance Report. Risks specific to performance data are regularly reviewed and discussed by ExCo (formerly the Executive Leadership Team or ELT) as part of our ongoing risk management arrangements. These include risks to the quality and timeliness of the CPI data, as well as the survey completion rate by customers.

IAS Verification

In the final report for its review of Invest NI's performance data, Internal Audit Service (IAS) stated that the outturn reported for 2024-25 has been accurately stated and represents a true and fair view of activity for the period.

Conclusion

Overall, our results for 2024-25 are very strong, with only a small number of areas behind profile. Despite the challenging budgetary backdrop, we will continue to work to maximise our impact in 2025-26 and beyond.

Risk Profile

The Invest NI Board held a risk workshop in October 2024 to discuss the rollout and communication of the new Risk Appetite Statement that had been approved by the Board in February 2024. The revised statement recognises that in order to deliver on its objectives, Invest NI must embrace risk to a greater extent than the majority of other public sector organisations. Our approach is therefore about systematically identifying and articulating the risks that could have a significant impact on our business, results and financial position.

It is acknowledged that risk can rarely be eliminated but it is necessary to pursue a proactive approach to the identification, evaluation and cost-effective control of risks in order to ensure that they are reduced to an acceptable level. Invest NI encourages all staff to understand the nature of risk and accept responsibility for risks in their area of authority.

In terms of the environment in which Invest NI operated during 2024-25, the organisation's ability to plan and deliver continues to be impacted by the absence of a multi-year budget and annual budget constraints. Work continues on identifying and maximising other funding streams.

The following table details a number of key risks that have either impacted the organisation during 2024-25 (and may have the potential to continue to do so) or that have been identified during the year but whose impacts will not be felt until 2025-26 or beyond. The table also details how these risks have been mitigated and their potential impact on Invest NI's future plans and performance.

Risk	Potential Impacts	Mitigating Actions
Effective planning and delivery are hindered by budget and funding uncertainty.	<p>Inability to enter into new commitments or implement new programmes despite expending resources to develop plans and strategies.</p> <p>Invest NI failing to meet targets resulting in delay in economic recovery and growth.</p> <p>Adverse reputational impact.</p>	<p>Engagement with DfE to submit bids and supporting information aligned to DfE Minister's Economic Mission and other government priorities.</p> <p>Identify and explore options for securing funds from other sources and make best use of those funds.</p> <p>Well established budget management framework and maintenance of accurate financial information and reporting.</p> <p>Ensure organisation is aligned to deliver new initiatives at short notice, in line with strategic objectives, if budget landscape changes.</p>

Performance Report - Performance Analysis

Risk	Potential Impacts	Mitigating Actions
	Inability to utilise or bid for additional budget should it become available.	Ensure full and appropriate use of current year allocations and that existing commitments are prioritised. Clear communications with customers and stakeholders on any temporary changes to Invest NI offering.
Invest NI fails to deliver against the DfE Minister's Economic Vision.	<p>Ability of NI companies to export or inward investment pipeline hindered by uncertainty caused by macro-economic or geo-political factors.</p> <p>Invest NI's ability to support growth plans hindered by infrastructure constraints, in particular supply of water and wastewater.</p> <p>Failure to meet DfE and NI Executive priorities.</p> <p>Deployment of resources and activities in areas that do not demonstrate economic impact.</p> <p>Insufficient staff available to execute Invest NI strategy.</p> <p>Additional resources or structural changes required to deliver against Economic Vision.</p> <p>Reputational damage.</p>	<p>Development and delivery of multi-year strategy with focus on and alignment with the Minister's Economic Vision and four key objectives.</p> <p>Engagement with DfE on alignment of Business Strategy with the Economic Vision.</p> <p>Development, monitoring and effective oversight of annual Business Plan to ensure delivery against strategy.</p> <p>Ensure allocation of staff to priority areas is sufficient to execute against Business Plan.</p> <p>Transition plan in place for move to new organisational structure, including recruitment and induction of new senior managers.</p>
Uncertainty arising as a result of change at senior levels.	<p>Interim arrangements required pending appointment of new leadership team.</p> <p>Operation delivery and/or governance arrangements are compromised.</p> <p>Potential for key strategic priorities to be delayed.</p> <p>Loss of corporate knowledge and experience.</p>	<p>Transition plan in place for move to new organisational structure, including recruitment and induction of new senior managers.</p> <p>Communications plan in place to ensure effective engagement.</p> <p>Experienced senior staff to support interim arrangements and new leadership team.</p> <p>Comprehensive induction plan in place for newly appointed leadership team.</p>

At its workshop in October 2024 the Invest NI Board also took the opportunity to review the Emerging Risk Register, which captures those risks that have the potential, if they were to come to fruition, to impact on Invest NI's business but which are relatively remote from the organisation's day-to-day business, either because they are further away from materialising or because they exist on a wider scale than Invest NI can influence through controls and mitigating actions.

In March 2025 the Board also received refresher training on the format and content of the Corporate Risk Register and the associated procedures for updating the register.

Performance Report - Performance Analysis

Business Review

Invest NI Budget outturn

- The net DEL budget outturn for the year was £114.3m against an allocated budget of £115.2m, a 99.2 per cent achievement against target.
- Receipts generated in the year, totalled £13.2m against a target of £14.4m, the variance mainly due to investment exits and a property disposal that did not complete within the year. The receipts generated related to the disposal of property, plant and equipment, sale of investments, property rental, dividends and loan interest, and the clawback of grant monies to the extent that they have been deemed to be recoverable.

Financial performance and position

Consolidated Statement of Comprehensive Net Expenditure

Total consolidated net operating expenditure for the year, excluding interest payable and corporation tax, has increased from £101.0m to £101.1m.

The increase of £0.1m in consolidated net operating expenditure relates to a £6.5m decrease in operating income and a £6.4m decrease in operating expenditure.

The £6.5m decrease in total income for the year, from £10.6m to £4.1m, is mainly due to the following movements:

There was a decrease of £7.5m in receipts from the European Commission as compared to last year. This is due to the ERDF Programme closing in the prior year on 31 December 2023 with the final income recorded against eligible expenditure in 2023-24.

In 2023-24 Invest NI organised and promoted an event that was funded by other Government Bodies which generated c£1m income which did not reoccur in 2024-25. Finally, there was an increase in grant clawback income of £1.8m, as compared with last year. As clawback relates to grant amounts recovered when there is default on the conditions in the grant offers, this can fluctuate year on year.

The £6.4m decrease in total operating expenditure for the year, from £111.6m to £105.2m, is mainly as a result of the following movements:

Salary costs for the group have increased by £4.0m from £41.3m to £45.3m. Invest NI's average number of permanently employed UK based staff has increased during the year from 529 to 554, driving a cost increase of £1.6m. Invest NI has also accrued £1.1m in respect of the estimated in year cost of implementing the recently agreed Northern Ireland Civil Service (NICS) wide pay award with effect from 01 August 2023. During the year Invest NI paid Voluntary Exit packages to four outgoing ExCo members costing £0.8m. Finally, an increase in overseas salary costs of £0.5m is largely due to an additional 3 staff members increasing costs by £0.3m. Whilst Invest NI also accounted for a pay award for overseas staff this was offset by foreign exchange movements.

Purchases of goods and services has increased by £0.1m from £23.1m to £23.2m. Within this a decrease in programme support of £0.7m relates to £0.5m less expenditure on hosting international events and £0.2m less property related expenditure. This decrease is offset by additional administrative costs of £0.7m arising from £0.5m additional ICT expenditure and a reduction of £0.2m in foreign exchange gain.

Depreciation and impairment charges have decreased by £4.5m from £8.8m to £4.3m. Whilst depreciation and amortisation charges have increased by £0.4m, in the prior year there was a goodwill impairment charge of £5.1m, as compared to a £0.3m impairment charge on PPE in 2024-25.

Performance Report - Performance Analysis

There was an increase of £2.1m to provisions in respect of grants earned but not yet claimed at year end. This relates mainly to movements in live letters of offers and activities undertaken by companies under those offers, but not yet claimed at year end.

Other operating expenditure, excluding salaries, decreased by £14.8m from £45.0m to £30.2m. Grant expenditure decreased by £3.2m largely due to decreased activity in the areas of Innovation expenditure £4.3m and revenue grants £0.8m although this has been offset by an increase of £1.5m in capital grants and £0.5m increase in skills support. The overall decrease in grant expenditure has been offset by an increase in programme costs of £0.7m mainly in relation to an increase in entrepreneurship activity. The share of results of associates accounts for a decrease in expenditure of £1.3m, with a charge of £2.5m this year compared to £3.8m last year. This is measured as the net change in asset value of associates, accounting for any distributions received less the capital contributions paid by Invest NI in the year. There is a decrease of £1.6m in profits realised from the disposal of financial assets and PPE, with £0.2m recognised in 2024-25 as compared to £1.8m in the prior year. Finally, there is a reduction of £12.6m in respect of fair value movements on Financial Instruments, with an in-year gain of £12.8m, compared to a £0.2m gain last year.

Consolidated Statement of Financial Position

Non-Current Assets including investments at year end were £222.5m, an increase of £11.5m on 2023-24. This is principally due to the net impact of the following factors:

Property, plant and equipment increased by £0.4m from £65.5m to £65.9m, as a net result of additions of £1.7m and net revaluation gains of £0.8m, offset by land and building disposals of £0.5m, depreciation charged of £1.5m and a transfer to assets held for sale of £0.1m.

Intangible assets decreased by £0.4m due to additions and revaluation gains of £1.4m which were offset by amortisation charges of £1.8m.

Leases capitalised onto the balance sheet as a right-of-use asset have decreased by £0.6m due to depreciation charged of £0.7m although offset by £0.1m due to remeasurement of the underlying lease liability.

Investments in associates decreased by £2.8m from £75.4m to £72.6m reflecting further investment of £8.4m in loan and equity funds offset by £8.7m of distributions back to Invest NI and a decrease in valuation of £2.5m.

Investments in financial assets increased by £15.4m from £46.8m to £62.2m, as a result of further investment recorded of £3.2m, offset by repayments and disposals of £1.3m and fair value decreases of £13.5m. Included within these movements and as noted on page 55, during the year NI-CO entered Members Voluntary Liquidation, at which point the entity is no longer consolidated as a subsidiary. As such, the NI-CO share capital, previously held on Invest NI's Statement of Financial Position, transferred to financial assets and is held at fair value.

Non-current trade and other receivables have decreased by £0.4m due to amounts transferring to the current asset category.

Total current assets have decreased by £2.3m from £45.9m to £43.6m. Included within this movement, trade and other receivables have decreased by £2.8m of which £2.3m is a decrease in EU receivables relating to amounts due from the European Commission as the ERDF programme drew to a close in the prior year on 31 December 2023.

Performance Report - Performance Analysis

Other receivables have decreased by £0.8m, impacted by the transfer of non-current trade receivables noted above, although offset by timing of other payments received, and movement in prepayments and accrued income at the year end. Assets held for resale have decreased by £1.2m as the NI-CO property, previously recorded as an asset held for resale, has now been de-consolidated and is included in the shareholding held at fair value within financial assets.

Total current liabilities have increased by £0.6m from £40.6m to £41.2m. Within this, year-end trade and other payables increased by £0.8m due to timing of payments around year end. The provisions balance of £14.7m at year end is £0.2m more than last year with grant provisions showing an increase of £2.1m relating to activities undertaken by companies up to 31 March 2025, under live letters of offers and activities, but not yet claimed at year end. This has been offset by a decrease in provisions of £1.9m in relation to a NI-CO balance at 31 March 2024 because, as noted, the NI-CO shareholding is now included at fair value within financial assets.

Total non-current liabilities at the year-end were £17.4m, a decrease of £1.5m on the previous year, as a result of repayment of £0.6m of group borrowings, a decrease of £0.3m in the valuation on the interest rate SWAP liability in MRDE and a decrease in lease liabilities of £0.6m, as repayments are made.

Total taxpayers' equity has increased by £10.3m from £197.3m to £207.6m. This movement is largely explained by the fact that the current year allocation of Grant in Aid from the Department for the Economy (DfE) in cash terms, is used to fund both current year transactions as well as the movements in opening and closing working capital balances. This is reconciled within the Statement of Cash Flows. Within total equity, the revaluation reserve has increased by £0.8m as a result of valuation movements in property plant and equipment.

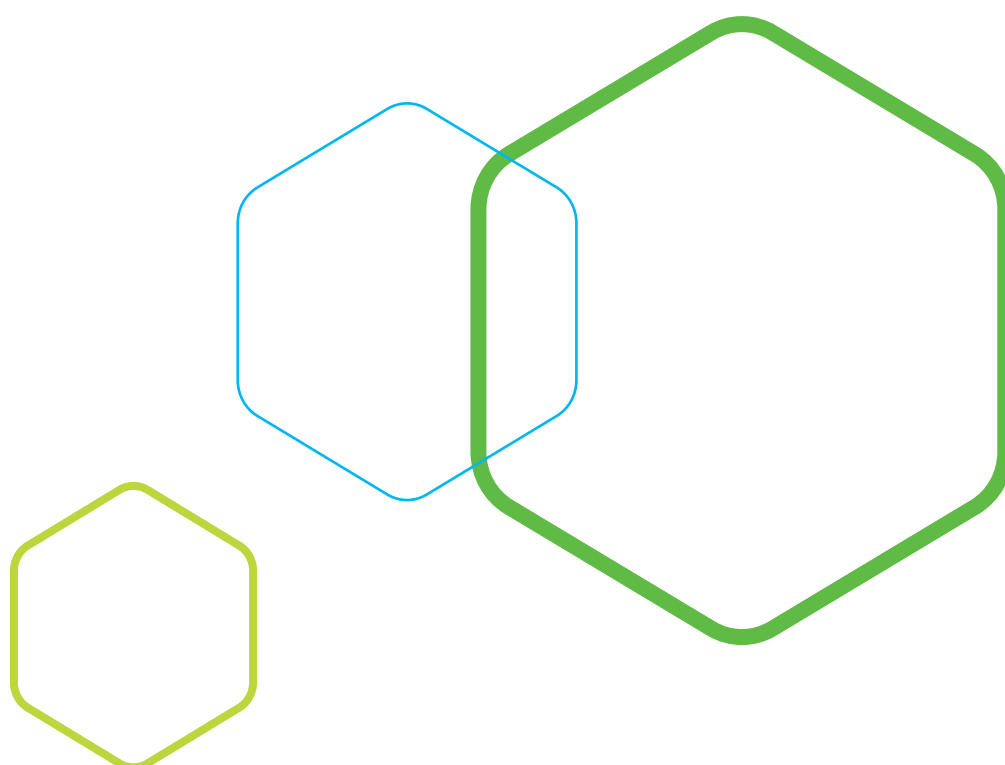
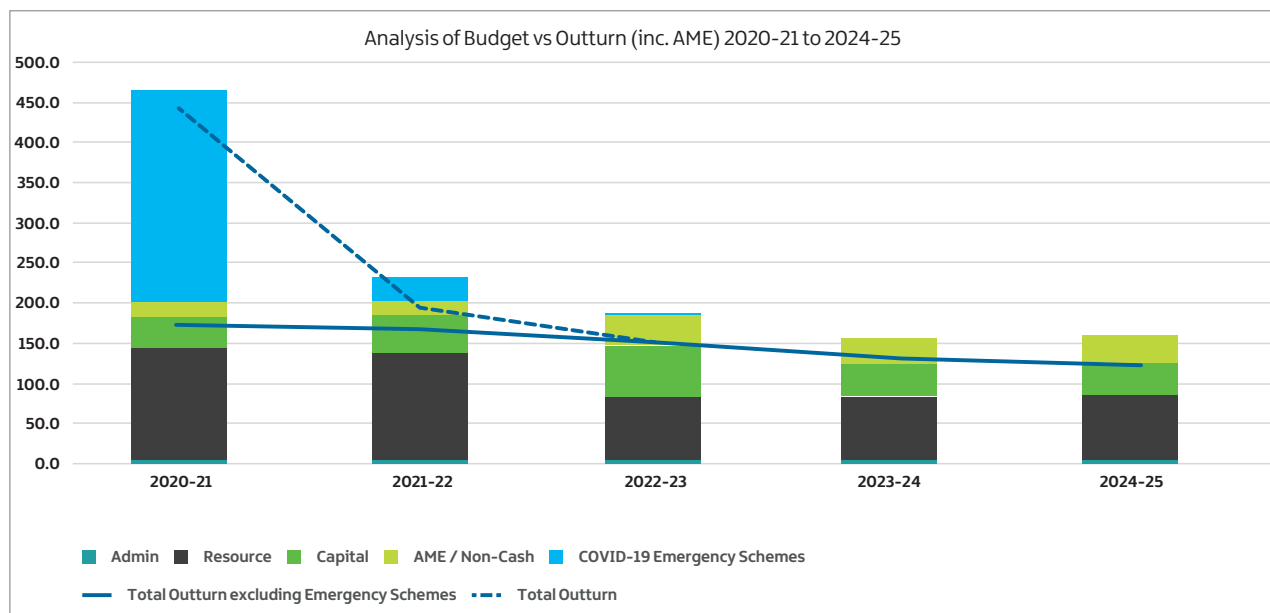


Performance Report - Performance Analysis

The graph below analyses budget outturn across the main spending areas and indicates how this compares with total budget allocation. In 2020-21, 2021-22 and 2022-23, COVID-19 emergency schemes accounted for £270m, £28m and £54k of expenditure respectively.

Admin mainly consists of running costs. Resource comprises mainly revenue grant payments and other revenue support to companies as well as Invest NI salaries. Capital comprises mainly capital grant payments and other capital support to companies. AME (Annually Managed Expenditure)/Non-Cash comprises provisions, asset revaluations and depreciation charges.

Long Term Expenditure Trends



Performance Report - Performance Analysis

	2024-25 Budget Outturn £'000	2023-24 Budget Outturn £'000	2022-23 Budget Outturn £'000	2021-22 Budget Outturn £'000	2020-21 Budget Outturn £'000
Total Resource DEL *	88,794	86,210	86,120	165,600	420,380
Of Which:					
Administration	5,351	4,956	4,315	4,263	3,632
Programme – COVID-19 Business Support Schemes	-	-	54	28,207	269,571
Programme - Other	79,021	77,568	77,981	130,371	144,663
Non-Cash	4,422	3,686	3,770	2,759	2,514
Total Capital DEL *	38,691	43,156	58,349	44,800	32,447
Of Which:					
Capital Grant	18,765	25,481	39,511	11,088	19,542
Direct Capital	14,418	11,814	13,962	29,190	5,339
Financial Transactions	5,508	5,861	4,876	4,522	7,566
Total AME **	(5,891)	1,435	2,556	(20,642)	(11,004)
Total Spending	121,594	130,801	147,025	189,758	441,823
Total spending excl. COVID-19 emergency schemes	121,594	130,801	146,971	161,551	177,252
Total Receipts	13,180	22,239	43,776	67,106	33,298
Of Which:					
Resource Receipts	2,628	3,759	3,148	6,175	5,849
Capital Receipts	10,552	10,914	9,963	31,575	6,339
EU Receipts including Recyclables	-	7,566	30,665	29,356	21,110

* DEL (Departmental Expenditure Limits)

** AME (Annually Managed Expenditure)

The Total Comprehensive Net Expenditure for the year is reconciled to the Budget Outturn. There are a range of reconciling items between the Comprehensive Net Expenditure in the Annual Accounts and the Budget Outturn, for example investments in loans, shares and associates, and the proceeds from the sale of assets which are classed as expenditure items for budget purposes and Statement of Financial Position items in the accounts. In addition, for budget outturn purposes grant clawback is reported on a net basis.

Performance Report - Performance Analysis

Aims, Objectives and Future Plans

Policy and Strategic Context

A New Strategy and a New Direction

Our new multi-year Business Strategy². 'Our Future in Focus' is our first multi-year strategy in over 6 years, representing a significant milestone for us, as we seek to clearly articulate our longer-term priorities, objectives and ambitions. After a period of tumultuous change, it brings clarity, certainty and fresh direction to our organisation, the clients and businesses we work with, and our stakeholders and partners.

We engaged extensively on our strategy, questioning, challenging and testing every element of what we do, how we do it, why we do it and even where we do it. We recognised the fundamental need to get our strategy right and that we needed to foster and build a more collaborative and purposeful partnership-based approach. This allows us to bring all our stakeholders together, to coalesce around a shared strategy that would set our strategic direction and ambition for the long term.

Our Strategic Priorities

'Our Future in Focus' sets out our Strategic Priorities. These are designed to guide all our actions and activities and to ensure that everything we do is designed to maximise the impact that we can have on our strategic policy objectives and goals.



BOOSTING BUSINESS INVESTMENT



DEVELOPING AND ACHIEVING SUSTAINABILITY



ACCELERATING INNOVATION AND SKILLS



MAXIMISING CITY AND GROWTH DEALS IMPACT



DRIVING GLOBAL AMBITION



PROMOTING PLACES AND PARTNERSHIPS

Our Strategic Priorities start with our clients. It is their success that will ultimately deliver the economic benefits to which we aspire. This starts with supporting them to invest and grow – **Boosting Business Investment**. Next is ensuring that this investment is targeted at the right areas to maximise the impact that it can have on our business' growth and the wider NI economy – **Accelerating Innovation and Skills**.

As a small, open economy, helping our businesses to set out and secure their place internationally is key. Allied to seeking out, identifying and attracting the best global businesses, tailored to our unique proposition – **Driving Global Ambition**.

² Invest NI Business Strategy - 'Our Future in Focus' - 2024-2027.

Performance Report - Performance Analysis

As important as what we do, is how we do it. We recognise that growth cannot come at any cost. It needs to be sustainably sound and environmentally attuned – **Developing and Achieving Sustainability**.

£1.3bn has been committed across NI for four City and Growth Deals (C&GD) and the Complementary Fund (CF). To fully seize this opportunity for the benefit of future generations we will work with deal owners and project promoters to fully integrate their projects into the local business ecosystem, providing unprecedented vehicles for regional development – **Maximise City & Growth Deals Impact**.

Finally, in an increasingly tight fiscal environment, with multiple policy goals, it is also clear that we need to collaborate more closely with our partners to optimise support and maximise our impact across NI. A new collaborative, cooperative and regionally focused approach is needed to truly unlock our potential – **Promoting Places and Partnerships**.

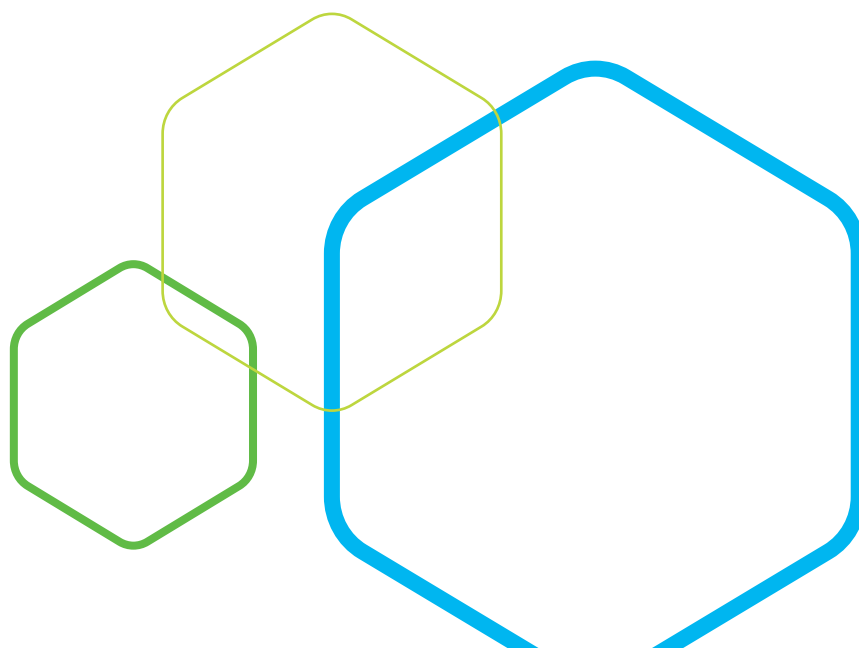
The Central Thread of Productivity Improvement

We recognise that we need to demystify productivity for our businesses. In its simplest form, it is about businesses improving the efficiency of their operations enabling them to do more with less or the same. We will help our clients to continuously challenge themselves to identify opportunities to enhance their products, processes, people and efficiency. Through embracing innovation across the full breadth of their business, to become more competitive and profitable. Productivity improvement will permeate everything we do.

Budgets – Strategic Ambition meets Economic Reality

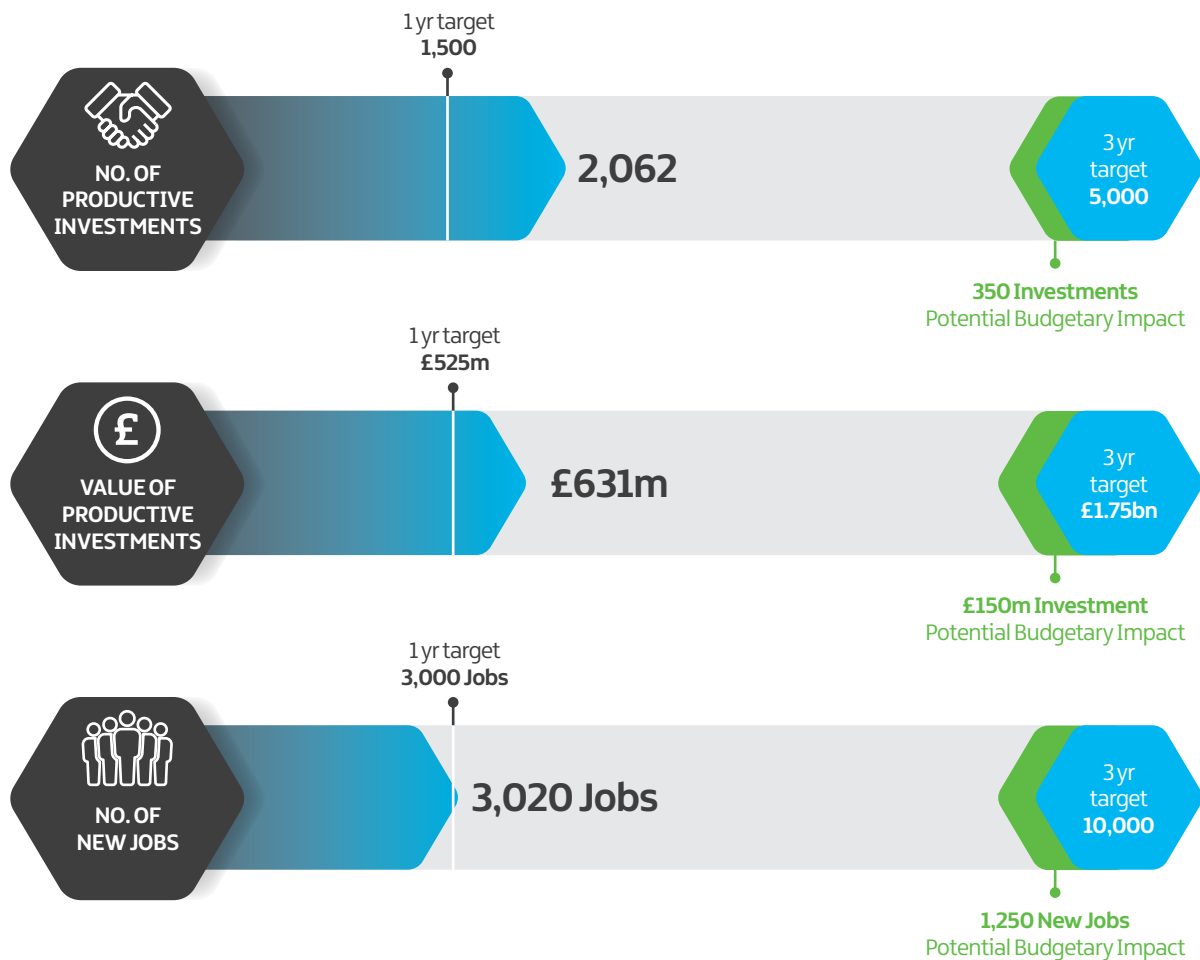
In 2024/25 we received sufficient budget to allow us to make a solid start against our strategy. We have now received our Budget allocation for the 2025/26 financial year and, unfortunately, our resource allocation is below the level we estimated was needed to keep pace with our strategic ambition. This impacts the financial resource available to deliver activity across the areas of local employment, trade, FDI, skills and land and property acquisition, and the pace at which we can recruit additional people required to deliver the areas of increased and new activity within our strategy.

We have taken steps to manage activity and recruitment to realise the necessary savings to operate within the budgetary allocation and whilst we are working hard to identify and implement mitigation measures to minimise impacts and maximise delivery, it is important to recognise that our budget allocation creates a significant risk to the achievement of the targets, objectives and initiatives outlined in our 2024/26 Business Plan and our longer-term strategy.



Performance Report - Performance Analysis

In the graphic below, we have highlighted this risk in terms of potential impacts on performance across years 2 and 3 of our Business Strategy. Notably, a potential loss of 350 investments, £150m investment value and 1,250 new jobs across the remaining period of the strategy. While we will implement mitigation measures to deploy our resources as efficiently and effectively as possible to minimise these impacts, this does represent a significant challenge and in some specific areas for example, local employment, FDI, trade, skills and land and property, it is likely that it may not be possible to fully avoid impacts.



Finally, we are assuming that our Year 3 (2026/27) budget allocation will return to a level more aligned with the ambition outlined in our strategy. We recognise the risk this presents in a fiscally tight public funding environment.

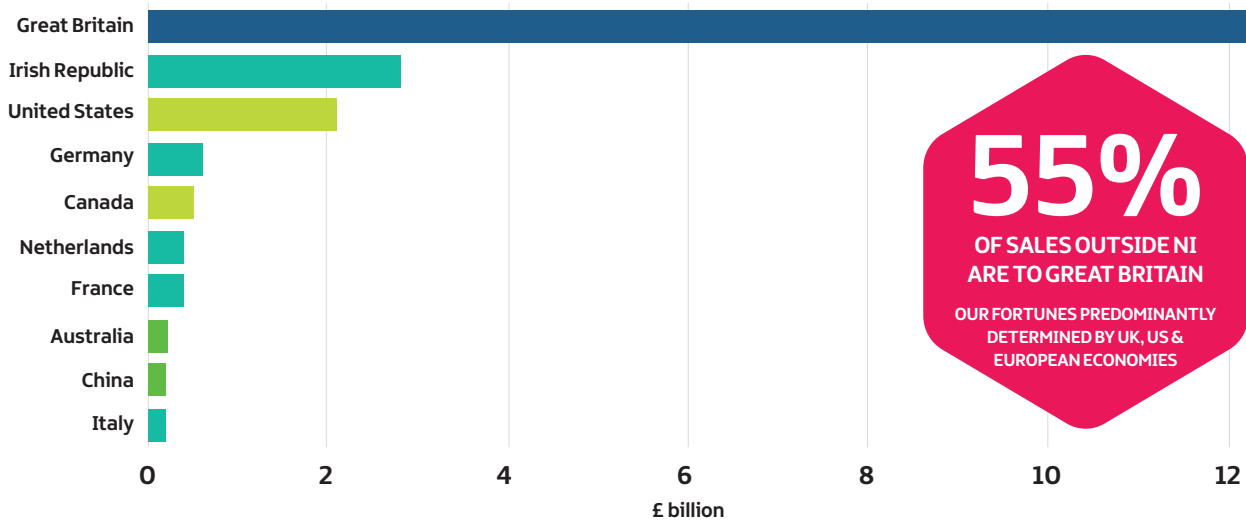
Our Place in the World – Economic Dependencies

As a small, open, advanced economy, the identification, securing and exploitation of external sales opportunities remains key to our future success. NI firms need to accelerate and deepen exports to generate the Private Sector growth needed to realise our strategic policy goals.

Our future success is, therefore, inextricably linked to the wider health of our key external markets, notably Great Britain, the Republic of Ireland, the wider EU and the US. The graphic below illustrates that we are predominantly dependent on these markets for exports and external sales, with Great Britain alone responsible for 55 per cent of our external sales. The majority of our foreign direct investment is also drawn extensively from these markets.

Performance Report - Performance Analysis

Client Markets... Top 10 External Markets



Source: Invest NI KPIs

Total External Sales = £22.1bn

Given our histories, the markets of our three biggest economic partners are significantly intertwined and highly dependent on each other. Problems in any one of these markets, are quickly felt in NI. However, when it emerges in the US, the world's largest economy, it is generally felt across the world, tending to disproportionately negatively impact the dependent UK and Irish markets.

The significant warning signs regarding the impact of the announcements made by President Trump on 'Liberation Day' in the US are essentially three-fold:

- (i). The implementation of Tariffs reducing the competitiveness of NI's exports;
- (ii). A resultant consolidation of US investment, in the US, slowing or reducing contestable US FDI; and;
- (iii). an initial severe shock that triggers a wider US and global recession.

To help mitigate impacts across these scenarios, we will establish a Tariffs Taskforce to focus, strengthen and accelerate our response. Over the longer term, we will develop a new International Strategy, that will build, cultivate and broaden our international approach, strategically responding to the needs of our current and future clients to enhance export and investment resilience.

The Policy Context

The Programme for Government

Invest NI operates within a complex and constantly evolving Government Framework that determines our focus, objectives and priorities. Primary amongst this, is the Northern Ireland Executive's Programme for Government. 'Our Plan – Doing What Matters Most', which was launched by the Executive in February 2025.

In advance of this, Invest NI worked closely with DfE to ensure that our evolving strategy reflected the draft ideals being discussed as part of the PfG development process. As a result, our strategy is strongly aligned with the PfG priority to 'Grow a Globally Competitive and Sustainable Economy' and the associated wellbeing framework indicators³.

³ PfG Stronger Economy related Wellbeing Framework Indicators.

Performance Report - Performance Analysis

The Economy Minister's Economic Vision

In February 2024, then-Economy Minister Conor Murphy launched his Economic Vision⁴. This outlined 4 Objectives, notably, Good Jobs, Raising Productivity, Promoting Regional Balance and Reducing Carbon Emissions, which we have stamped across our strategic priorities and objectives. They are at the core of what we will deliver over the period of our strategy.



The Windsor Framework – Exploiting the Opportunities from Dual Market Access

Invest NI will continue to support initiatives to enhance and improve our businesses' ability to trade freely with the EU and Great Britain markets, exploiting the opportunities presented by Dual Market Access (DMA). Recent Trade statistics⁵ show that Northern Ireland is the only constituent country of the UK that has achieved positive year-on-year Goods Exports growth over the last 4 calendar years, with significant levels of divergence opening across the most recent calendar years. Invest NI will work with our partners, such as InterTrade UK (ITUK), the Department for Business and Trade (DBT) and InterTrade Ireland (ITI), to continue to promote the commercial advantages of Dual Market Access to our local businesses, helping them to build on the positive Goods Exports growth they have achieved to date.

We will also move to further clarify and boost the promotion of the unique advantages DMA offers to our investment proposition. We will market the advantages locating in NI offers in order to encourage greater levels of Inward Investors, particularly those from the US, RoI and GB markets, to locate, start-up and expand here.

Finally, we recognise the benefits and opportunities presented through All-Island collaboration. Enhanced joint working with our partners Intertrade Ireland (ITI), Enterprise Ireland (EI) and the Industrial Development Authority (IDA) is identified in our strategy as central to our new approach. We will work with our partners collaboratively to ensure that our clients, and NI's business base, get access to the best possible support tailored to their needs, in the right way, when they need it most.

⁴ Conor Murphy MLA - Economic Vision Statement to the NI Assembly - February 2024.

⁵ HMRC UK Regional Trade in Goods Statistics - fourth quarter 2024 Accompanying Tables - March 2025.

Performance Report - Performance Analysis

This will include cooperating with partners to seek creative solutions to long standing economic challenges and exploring new mutually beneficial cross-jurisdictional projects where appropriate.

Minister's Sub-Regional Economic Plan

A period of intensive engagement driven by the Minister with local businesses, stakeholders and partners, culminated with the launch of the Minister's Sub-Regional Economic Plan. The Plan essentially represents a reset of the Department's and, by extension, Invest NI's approach to regional economic development. Whilst the headline of the Plan was the establishment of Local Economic Partnerships (LEPs) and the commitment of c£45m of funding, the core message is one of building better collaboration, cooperation and regional partnerships to drive better economic outputs and outcomes for all areas of NI and all our people. Our own plans to implement a new regional strategy are designed to build on and operationalise our response to the policy clarity brought by the Minister's plan.

Equality

Invest NI is committed to achieving a successful economy in Northern Ireland which will provide equal opportunities for all. It is fully mindful of its responsibilities across the spectrum of Equality, Anti-Poverty and Social Inclusion, and Human Rights.

Under the provision of Section 75 and Schedule 9 of the Northern Ireland Act 1998, Invest NI has drafted and implemented our Equality Scheme. This scheme reinforces Invest NI's commitment to equality and outlines the organisation's plan to making equality issues central to policy decision making processes.

In addition, Invest NI is committed to promoting good relations between persons of different religious belief, political opinion or racial group.

The Equality Unit works within the Performance Compliance and Co-ordination division to deliver our Equality commitments and ensure that the organisation carries out its obligations under Section 75 and the Good Relations duty. It co-ordinates the equality screening and public consultation of all new policies and procedures, publishes an Annual Progress Report to the Equality Commission and carries out Equality Monitoring to assess the impact of our policies across the Section 75 categories.

Consideration of Rural Needs

Section 1(1) of the Rural Needs Act (NI) 2016 ('the Act') requires public authorities to have due regard to rural needs when developing, adopting, implementing or reviewing a policy, strategy or plan and when designing or delivering a public service. If the activity which a public authority is engaged in falls within the scope of section 1(1) of the Act, then the guidance recommends that a Rural Needs Impact Assessment is carried out and a Rural Needs Impact Assessment Template completed.

Invest NI has been subject to this legislation since 1 June 2018 and has taken a number of measures in order to comply with its obligations in this regard, including staff training, public consultation and quarterly monitoring.

Performance Report - Performance Analysis

The following outlines the actions taken between April 2024 and March 2025:

Description of the activity undertaken which is subject to section 1(1) of the Rural Needs Act (NI) 2016	The Rural policy area(s) which the activity relates to	Description of how Invest NI has had due regard to rural needs when developing, adopting, implementing or reviewing the policy, strategy or plan or when designing or delivering the public service
The Collaborative Growth and Clusters Programme	Rural Businesses	<p>The Collaborative Growth & Cluster Programme aims to address a market failure around SME's (small to medium enterprises) ability to collaborate and innovate, and thus generate growth. The new programme will ultimately seek to identify and support up to five Super Clusters, administered over a 10-year period, which will be aligned to Invest NI's Business Plan and the Minister's vision for the economy.</p> <p>The Collaborative Growth and Clusters Programme will be accessible to all businesses in urban and rural areas and applications will be submitted online.</p> <p>The Programme has been designed for representatives of NI Industry (including start-ups, entrepreneurs, academia, public sector, stakeholders, VC's etc) who wish to collaborate on specific projects with defined economic outcomes. Therefore, representatives from any of these groups, regardless of their location in Northern Ireland, are welcome to apply to participate in Networks/Clusters funded under the Programme (provided that the projects that they are aligned to meet Invest NI's general intervention principles).</p> <p>Financial Assistance:</p> <ol style="list-style-type: none"> 1. The grant offered to eligible Networks and Clusters will be used for Facilitator/ Cluster Manager costs however such costs will be more influenced by sector/ experience in delivering similar projects rather than by location. 2. The amount of grant offered to each Network/Cluster will be the same regardless of geographical location. 3. The rate of Grant offered to each Network/ Cluster will be the same regardless of geographical location. <p>The programme will have a mid-point evaluation carried out in 2027 and a full evaluation in 2034. During the evaluation process, levels of participation across NI will be assessed and feedback from participants will be provided.</p>
Business Navigator Life & Health Sciences Pilot Programme	Rural Businesses	<p>The Life and Health Science Business Navigator Programme (LHS BDP) is a pilot hybrid Life and Health Science Commercialisation support programme aimed at "C" level/potential executives in NI's LHS SMEs. It is proposed that Invest NI financial support for the pilot six-month programme, for up to 20 entrepreneurs, will total £144,250k.</p> <p>The Business Navigator for Life & Health Sciences Programme will be accessible to all businesses in urban and rural areas.</p> <p>The programme has been designed for Life Science companies – 2+ years established. Now working in the commercial sector as part of a scaling SME, Key leadership team members within scaling life Science SMEs</p> <p>Therefore, representatives from any of these groups, regardless of their location in Northern Ireland, are welcome to apply to the programme</p> <p>Financial Assistance:</p> <ol style="list-style-type: none"> 1. The grant offered to eligible Life Science companies rather than by their location. 2. The amount of grant offered to each participant will be the same regardless of geographical location. 3. The rate of Grant offered to each participant will be the same

Performance Report - Performance Analysis

Description of the activity undertaken which is subject to section 1(1) of the Rural Needs Act (NI) 2016	The Rural policy area(s) which the activity relates to	Description of how Invest NI has had due regard to rural needs when developing, adopting, implementing or reviewing the policy, strategy or plan or when designing or delivering the public service
		<p>regardless of geographical location.</p> <p>The pilot LHS Business Navigator programme will be reviewed post-completion to determine the effectiveness and success of the programme. The post-project evaluation will be used to inform decision making if the question of taking another cohort through the course arises or if any post – programme activity is being considered.</p>
Go Global Programme	Rural Businesses	<p>The Go Global Programme aims to support SME's (small to medium enterprises) in Northern Ireland to export their product and tradable services to new export markets.</p> <p>Invest NI's policy is to increase the export intensity of all businesses across Northern Ireland in both urban and rural areas. Businesses who export tend to have higher productivity and as a result pay higher wages.</p> <p>Although not specifically targeted at rural businesses, the programme is open to all businesses across Northern Ireland. The programme aims to address the Economy Minister's key priorities of Good Jobs, Regional Balance and Productivity. Improved regional balance will obviously benefit rural areas.</p>
Invest NI Draft Budget and impact on related Business Strategy	Rural Businesses	<p>Invest NI's ambition is laid out within its recently published Business Strategy 2024-27 which aligns with the Economy Minister's Economic Vision and the Executive's Programme for Government. Invest NI's 2025/26 budget allocation is not sufficient to deliver our Business Strategy priorities and objectives, with our focus transitioning to maximising 2025-26 delivery where possible, and deferring some priorities into 2026-27. This rural needs impact assessment has considered the impact of Invest Northern Ireland's proposed budget and provided a preliminary consideration of how budgetary constraints may impact on rural service users.</p> <p>While there will be an impact across Northern Ireland there will not be a disproportionately negative impact in rural areas.</p> <p>When carrying a public consultation on our Business Strategy, (between October and November 2024), Invest NI engaged intensively with local and regional stakeholders across N Ireland. These included predominantly rural Councils and business owners, as well Enterprise organisations located in rural areas.</p> <p>Invest NI, working with DfE, are creating Local Economic Partnerships, which will consist of stakeholders and partners from Academia, Councils and Business, as well as local enterprise partners, including those resident in rural areas. These partnerships are providing valuable insights into the needs of rural areas and allowing us to develop informed and tailored solutions. Funding for these rural focused initiatives has been considered within the draft budget.</p> <p>Local Economic Partnerships (LEP's) have been provided with a budget of £45m and will consider all issues relevant to the future social and economic development of the areas in question. This could include for example, issues such as infrastructure, business startups, specific sectoral constraints, skills and any geographical or population limitations. LEP's will work within a wide term of reference to ensure all potential needs are considered.</p> <p>Invest NI has also introduced a geographical based target for the first time within its new Business Strategy, with the aim of better dispersal of business investment across Northern Ireland for the benefit of all our people. This aims to increase the number of investments supported by Invest NI outside the Belfast Metropolitan Area, to 65% in Year 3 of the Business Strategy.</p>

Performance Report - Performance Analysis

Description of the activity undertaken which is subject to section 1(1) of the Rural Needs Act (NI) 2016	The Rural policy area(s) which the activity relates to	Description of how Invest NI has had due regard to rural needs when developing, adopting, implementing or reviewing the policy, strategy or plan or when designing or delivering the public service
Business Innovation Grant (BIG)	Rural Businesses	<p>This grant scheme aims to support innovation in NI and has a focus on innovation and inclusivity. BIG delivers grant support to Sole Traders, Micro and SMEs in the wider business base in NI (non-Invest NI clients).</p> <p>BIG is unlikely to negatively impact businesses, organisations and people in rural areas. No actions were taken to identify additional social and economic needs beyond those established in RNIA guidance. However, we considered the following:</p> <ul style="list-style-type: none"> • Is appropriate infrastructure in place to enable businesses/ dwellers in rural areas to access the service? Yes, currently many rural based people and businesses successfully access INI support already. • Will people in more remote rural areas be able to access the service? Yes • Could it cost people in rural areas disproportionately more to access the service? No • Could there be a disproportionate effect on people in rural areas who rely on public transport services? No • Could there be a disproportionate effect on people in rural areas who don't have access to high quality broadband? No as we will offer alternative means of application if required. • Could there be a disproportionate effect on people in rural areas whose access to mobile communications is variable or limited in areas? No as we will offer alternative means of application if required. • Could there be a disproportionate effect on people operating businesses in rural areas? No • Could there be a disproportionate effect on people in rural areas who have to travel longer distances to avail of employment opportunities? No • Could there be a disproportionate effect on people in rural areas who require access to childcare facilities? No • Will the policy, strategy, plan or public service affect certain groups of people in rural areas disproportionately e.g. seasonal workers, farmers and farm families or older people, younger people or people with disabilities who do not have access to transport? No • Are there pockets of hidden poverty or deprivation within rural areas which need to be taken account of in determining the effects of the policy, strategy, plan or public service on people in rural areas? No

Corporate Responsibility

Through Invest NI's corporate responsibility agenda, we have made a clear commitment to value the talents of our employees, to create a positive workplace and to contribute to the community through responsible business practices.

Performance Report - Performance Analysis

Environmental, Social and Governance (ESG)

As we continue to deliver against our ESG agenda, we remain committed to lowering our environmental impact whilst creating a positive workplace for our people. Through responsible business practices, our contribution to the community we operate in, continues to develop.

Following the successful launch of Invest NI's Environmental, Social and Governance (ESG) strategy in 2023, we continue to implement our strategic direction through to 2030. The ESG strategy supports sustainable and inclusive economic growth, while addressing our environmental and societal impact. Our governance around ESG continues to mature with a well-established Steering Group of senior staff from across the organisation and an ESG Champion appointed from our Executive Committee.

Environmental matters

This year, we continued our reporting of Scope 1 and 2 carbon emissions in accordance with the Greenhouse Gas (GHG) Reporting Protocol. Energy use data has been gathered from reliable data sources from across our operations and converted into tonnes of Carbon Dioxide Equivalent (tCO₂e), using the most recent UK Government Conversion Factors and Environmental Reporting Guidelines. Our reporting is on a Fixed Basis and our base year of 2019/20 remains the benchmark for comparison purposes.

Carbon Emissions Footprint – Base Year – April 2019 – March 2020

Scope 1	Primary Fuel Combustion (on-site)	181.28 tCO ₂ e*
Scope 2**	Electricity (location)	424.92 tCO ₂ e
	Electricity (Market)	(330.75) tCO ₂ e
	Scope 2 total	93.54 tCO ₂ e
Scope 3	Energy and Fuel Related	73.84 tCO ₂ e
Total Carbon Footprint		348.66 tCO₂e

Carbon Emissions Footprint – Reporting Year – April 2023 – March 2024

Scope 1	Primary Fuel Combustion (on-site)	137.22 tCO ₂ e
Scope 2**	Electricity (Location)	292.03 tCO ₂ e
	Electricity (Market)	(292.03) tCO ₂ e
	Scope 2 total	0.00 tCO ₂ e
Scope 3	Energy and Fuel Related	47.73 tCO ₂ e
Total Carbon Footprint		184.95 tCO₂e

Carbon Emissions Footprint – Reporting Year – April 2024 – March 2025

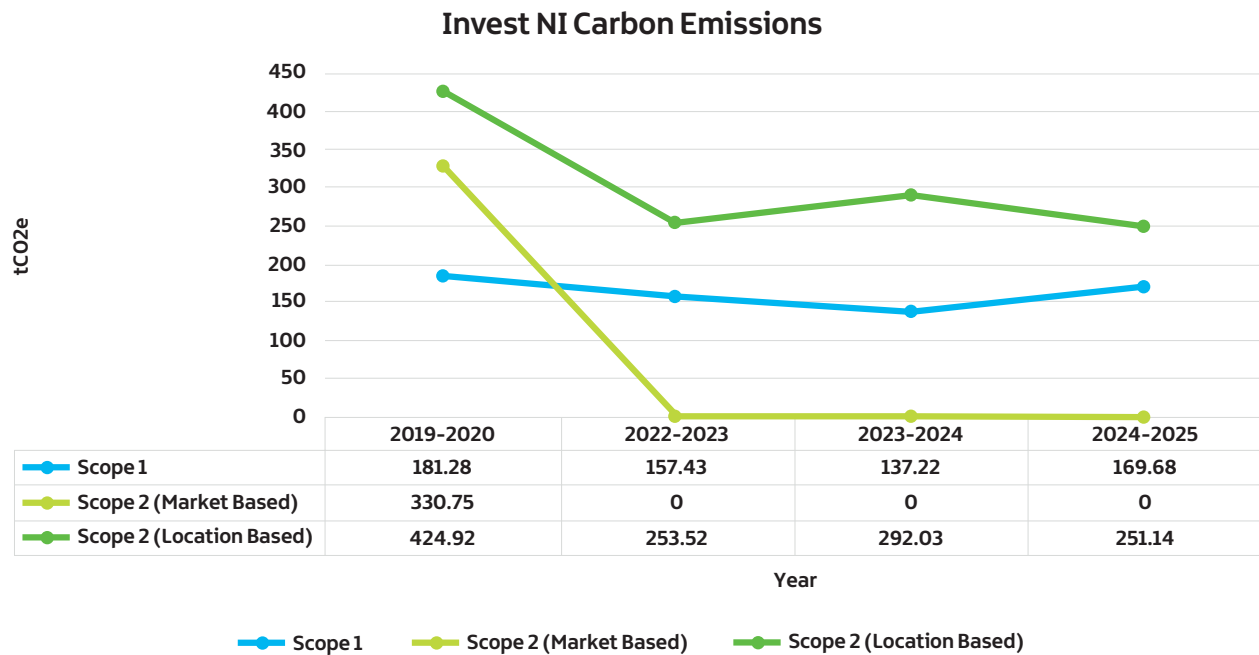
Scope 1	Primary Fuel Combustion (on-site)	169.686 tCO ₂ e
Scope 2**	Electricity (location)	251.14 tCO ₂ e
	Electricity (market)	(251.14) tCO ₂ e
	Scope 2 Total	0.00 tCO ₂ e
Scope 3	Energy and Fuel Related	50.22 tCO ₂ e
Total Carbon Footprint***		219.90 tCO₂e

*Tonnes of Carbon Dioxide Equivalent (tCO₂e)

**'Location based' emissions are calculated from the average energy mix of a region's power grid. 'Market based' emissions account for an organisation's specific energy purchases, like renewable energy. The former reflects regional power characteristics in Northern Ireland, while the latter shows our direct choices for cleaner energy, aiming to reduce our carbon footprint based on those choices.

*** Figures pending external expert validation.

Performance Report - Performance Analysis



This year we carried out an inventory of Scope 3 emissions and identified which categories related to our operations. Carbon emissions from Scope 3 sources are one which are not produced by us, but for which we are responsible, as an indirect result of carrying out our operations. This is a great step forward, but much more work is needed in this area. We will work collaboratively with our clients, stakeholders and suppliers to refine and improve the methodology for collecting this data, with a view to publishing data under further categories within Scope 3 in future years. Our carbon emission data is informing the development of Invest NI's first Sustainability Plan which will shape our carbon reduction activity for 2025-2026.

Education and awareness raising is a key element of our ESG activity. This year 34 of our Executive Committee and senior leaders completed Carbon Literacy training accredited through the Carbon Literacy Project. This was further supported by the roll out of ESG and carbon awareness training modules to staff. This demonstrates the importance the organisation places on sustainability and lays the groundwork for future sustainability initiatives.

Invest NI's Property Solutions Unit (PSU) proactively works to manage biodiversity at our business parks, through planned and reactive maintenance programmes, and ensure that biodiversity is included at the design and planning stage for all new development projects. We are currently in discussion with external agencies to explore how unusable land on some of our business parks might be utilised for nature and biodiversity initiatives.

Invest NI provides energy and environmental technical advice and grant assistance to businesses based in Northern Ireland. Energy audits, sustainability reports, technical consultancy and resource matching support are aimed at increasing the capability of businesses to adopt energy & material efficiency measures, waste/ water reduction, carbon foot-printing, and adoption of international standards for energy and environmental management.

In addition to this, Invest NI is supporting the delivery of the energy strategy and has launched a new energy efficiency support scheme for Northern Ireland businesses to support energy savings. The Energy Efficiency Capital Grant (EECG) helps Northern Ireland businesses reduce energy costs and build resilience through green efficiency.

Performance Report - Performance Analysis

EECG provides grant support for the purchase and installation of energy efficient equipment that reduces energy and carbon emissions.

Our commitment to the green economy is integral to delivering the Executive's Green Growth Strategy. Invest NI's work in this area includes identifying global market opportunities for local businesses and helping them transition to greener practices and circular economy models.

We supported the Keep NI Beautiful "30 under 30" Climate Change-Makers Programme this year, which aims to develop climate conscious business leaders. Our involvement in this programme provided us with the opportunity to showcase our leading role in sustainability and the Green Economy.

We were lead sponsor for Re[act] Sustainability Festival in November. As part of the sponsorship, we hosted a business breakfast to promote our products and services from the Green Economy, Energy Resource Efficiency and Industrial Symbiosis NI.

ESG Governance

We continue to strengthen governance practices in ESG. An ESG Risk Register will be in place for 2025-2026 which will identify and mitigate climate related risks as well as supporting the organisation to adapt to the current and future projected impacts of climate change, related to our functions.

Section 42 of The Climate Change Act (Northern Ireland) 2022 comes into effect in 2025-2026 and places climate related reporting requirements on 40 public bodies in Northern Ireland, including Invest NI. To ensure we are prepared for the requirements we are part of DAERA's Public Body Climate Change Reporting Co-design Group, helping to shape the reporting requirements.

Social and Community

Invest NI has supported the work of the Living Wage Foundation and became an accredited Living Wage employer this year, reinforcing our commitment to good jobs in line with the Minister's Economic Vision. Through our financial investments we support jobs which pay at least the Living Wage. During Living Wage Week in October, we hosted a celebration event recognising accredited Living Wage employers and using our influence to encourage other businesses to sign up to the standard.

We strengthened our engagement and relationships with under-represented groups, enabling us to reach a wider number of businesses. During the Spring we hosted a series of 'Navigating Growth' information sessions to showcase the support Invest NI has available to businesses and entrepreneurs who are not currently Invest NI clients. To ensure we reached a diverse audience we partnered with the Ethnic Minority Employment & Entrepreneurship Network (EMEEN) to increase participation from ethnic minority business owners and entrepreneurs. In December we hosted the Ethnic Minority Employment & Careers Conference. The event brought together over 100 delegates including employers, policy makers, ethnic minority professionals, educational institutions and HR professionals.

Invest NI was part of the Economy Minister's Social Enterprise Co-design Group and is a key driver of the implementation of the Social Enterprise Action Plan. As part of this we appointed a Regional Social Enterprise Champion in each of the Regions who will act as a dedicated point of contact for the Social Enterprise sector.

We renewed our partnership as a Young Enterprise NI "ESG Business Backer", demonstrating our commitment to the next generation of entrepreneurial talent in Northern Ireland. The partnership enables our people to volunteer as business mentors to share their expertise with Young Enterprise Students across all programmes, to help them learn about best practice and how to be environmentally and socially responsible in business.

Performance Report - Performance Analysis

We again hosted the final of the Young Enterprise Company of the Year programme in our HQ, where six finalist school groups pitched their business idea to an audience of 100 delegates before facing the judges in a Dragon's Den style interview in our Boardroom.

Corporate Charity

Through consultation with our staff, this year we selected a new Charity Partner, Northern Ireland Children's Hospice. The target set for the 2-year partnership to 2025-26, was to raise £20,000 and several fundraising events took place including abseiling, a dragon boat race, Christmas Charity Quiz and donating one hour's pay through payroll giving. The commitment and generosity of staff at Invest NI achieved this £20,000 target in only 9 months. As a result, the 2-year target has now been increased to £30,000.

Health and Wellbeing

Good physical and mental wellbeing is a key area under our Corporate Responsibility commitment. We have designated Mental Health First Aiders (MHFAs) trained to listen and help in crisis situations and signpost colleagues to further support.

Invest NI provides an Employee Assistance Programme through Lena by Inspire (formerly known as Inspire Wellbeing). Lena provides up to 6 counselling sessions for all staff to help with any mental health challenges. This service is fully funded by Invest NI, therefore free of charge to staff.

We have provided physical health checks to staff on 2 separate occasions within the reporting period. The health checks are completed by Chest Heart and Stroke at the Belfast Headquarters and Regional offices. 120 health checks are completed during each occasion, aiming to provide all Northern Ireland based staff the opportunity to have a health check within a 3-year period.

The Sports and Social committee have been revived in the reporting period with several successful social events taking place.

Invest NI's ill health absence rate for the 2024-25 year was 2.92%, significantly lower than the Northern Ireland Civil Service average, which for 2023-24 (2024-25 figures not yet published) was 6.3%.

Learning & Development

As indicated previously in the report there has been significant investment in our people for Carbon Literacy and ESG training during 2024/25.

Other areas of focus included an e-learning module for staff on mental health, providing awareness of mental ill health and equipping managers to support staff suffering from mental ill health.

A mandatory e-learning module was launched at the end of 2024/25 on unconscious bias, providing all staff with awareness of their own unconscious biases and providing solutions to manage unconscious bias in the workplace.

Client Facing Workshops take place each month to provide our Client Facing Staff with knowledge on relevant topics. In December 2024 the workshop focused on Talent Innovation. This looked at newcomer communities, providing English for employability and overcoming the hurdles of checking overseas qualifications and right to work in the UK. These workshops inform our Client Facing Staff who in turn advise businesses of the opportunities to find talent in underrepresented groups.

Performance Report - Performance Analysis

Employee Connection Groups

This year was a milestone year for the Employee Connection Groups at Invest NI. The LGBTQ+ group walked in PRIDE Belfast with Invest NI represented for the first time as a stand-alone organisation. The Professional Women's Group membership grew by 30% and provided inspirational workshops and a mentoring scheme and availed of significant benefits of membership to Women in Business.

The groups were highlighted at the Staff Conference in November at a fireside chat, which resulted in the formation of two new groups. The Young Professionals Network launched in February 2025 and the Men's Health and Wellbeing Group launched in May 2025.

Together with the Green Scene and STEM groups, this brings the total number of active groups to 6. The leads of each group work together along with Sports and Social Committee to provide events for everyone.



Kieran Donoghue
Accounting Officer

Date: 02 October 2025



Accountability Report - Corporate Governance Report

The purpose of the Corporate Governance Report is to explain the composition and organisation of Invest NI's governance structures and how they support the achievement of its objectives.

Directors' Report

The directors present their report and the audited consolidated financial statements of the group and parent entity for the year ended 31 March 2025.

Results

The net expenditure for the year is £102,538,000 (2024: £103,479,000).

Directors

The directors who served during the year and up to the date of signing the financial statements are the Board members as follows:

Board members

John Healy

Colin Coffey

Kieran Kennedy

Marie-Therese McGivern

Michael McQuillan

Dominic Darby

Melanie Dawson

Dawn McLaughlin

Ciaran Mulgrew

Patrick O'Gorman

Julie-Ann O'Hare

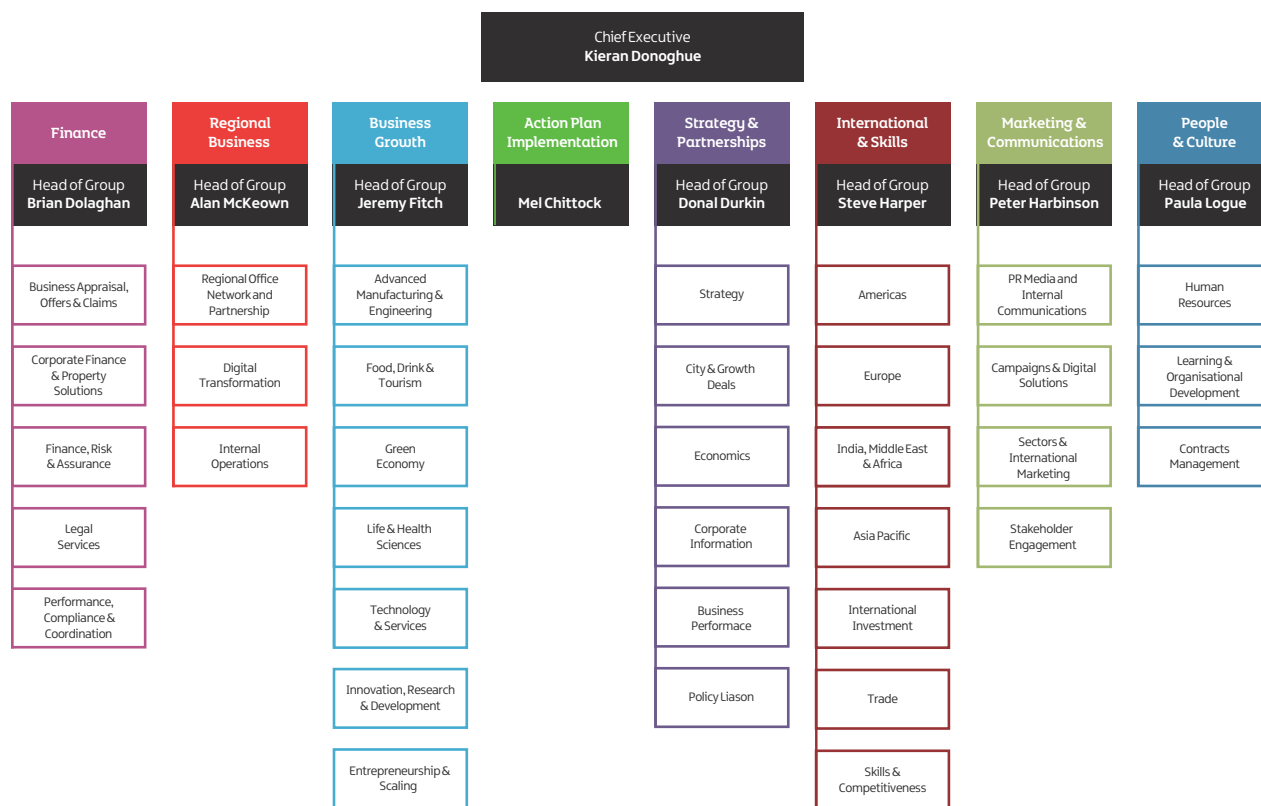
Scott Ritchie

ExCo (formerly ELT)

Kieran Donoghue	Chief Executive
Mel Chittock	Executive Director, (left role 13 December 2024)
Jeremy Fitch	Executive Director, Business Growth (left role 13 December 2024)
Brian Dolaghan	Executive Director, Finance (left role 13 March 2025)
Paula Logue	Executive Director, People & Culture
Alan McKeown	Executive Director, Business Growth (left role 30 March 2025)
Donal Durkan	Executive Director, Strategy & Partnerships (left role 5 March 2025)
Steve Harper	Executive Director, International & Skills (left role 31 January 2025)
Peter Harbinson	Executive Director, Marketing & Communications
Ian Maxwell	Executive Director, Finance (appointed 3 March 2025)
George McKinney	Executive Director, Business Growth (appointed 17 March 2025)
Anne Beggs	Executive Director, International & Skills (appointed 3 February 2025)
Iain Joannides	Executive Director, Regional Business (appointed 24 February 2025)

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Organisational Structure



Note: The organisational structure above was in place during the 2024-25 year with the process of implementing the move to a new structure commencing during the 2025-26 year.

Prompt Payment Policy

Invest NI is committed to the prompt payment of invoices for goods and services received in accordance with the Better Payment Practice Code. Unless otherwise stated in the contract, payment is due within 30 days of delivery of the invoice or of the goods and services, whichever is later. During 2024-25 Invest NI paid approximately 97 per cent of invoices (2023-24: 98 per cent) within this standard.

In 2008 the Finance Minister announced that Northern Ireland Departments had been set a target of ensuring that invoices are paid within ten working days, in order to help local businesses. During 2024-25 Invest NI paid approximately 94 per cent of invoices (2023-24: 93 per cent) within the ten working day target.

Register of Interests

The Chair, Board members, and the Executive Leadership Team are required to register all interests, direct or indirect, which members of the public might reasonably think could influence their judgment. The Register of Interests is available for public inspection by contacting the Chair’s Office, Invest NI, Bedford Square, Bedford Street, Belfast, BT2 7ES.

Personal Data Related Incidents

No Personal Data Related Incidents (2023-24: no incidents) occurred during the year that were deemed necessary to report to the Information Commissioner’s Office (ICO). Further information on data security is provided in the Governance Statement.

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Estate Management Strategy

With the exception of assets held by Invest NI for its own use and Linum Chambers, which is held by BSDL as an investment property, our land and property portfolio is held exclusively for development by client companies, to facilitate Northern Ireland's long-term strategic economic development.

Invest NI Complaints and Feedback Process

Invest NI continues to promote a customer focussed culture placing the needs of our clients and their customer experience at the heart of everything we do. Occasionally our customers may feel that we fall short of our own standards and our Complaints and Feedback Process affords us the opportunity to address instances when something goes wrong and to identify areas in which we can make improvements. It also gives us the ability to recognise good experiences through the recording of positive feedback.

Our complaints process is designed to be accessible and user friendly for our customers. Complaints are acknowledged within one working day, and we strive to issue a response within a target of 10 working days. If we are unable to provide a response within this timescale the customer will be clearly advised of the revised response date.

If we are unable to resolve the complaint to our customers' satisfaction at this stage, a review can be requested through the office of the Chief Executive. Should the customer be dissatisfied with the outcome of this review they may refer their complaint to the Northern Ireland Public Services Ombudsman for prompt consideration.

During the reporting period we received two complaints. (For comparison purposes, in 2023-24, three complaints were received).

One of these was from a supplier, rather than a client company, who was being impacted by the time being taken for businesses to go through Invest NI's Energy Efficiency Capital Grant scheme. Due to the popularity of this scheme there was some delay in processing applications. The complainant benefited as a potential supplier to successful companies and was unhappy that these delays were impacting on his business. We explained the reasons for the delays to the complainant and that we had put additional staff in place to manage the large number of applications. The complaint was not upheld.

The other complaint related to the purchase of land from Invest NI which subsequently had difficulty in being connected to water and sewage systems. While we accepted that there had been a delay in responding to the customer, there were a number of occasions when we had reached out to the customer and had no response. An apology was issued but the complaint was not upheld regarding the issues relating to NI Water. We offered to meet with the customer to endeavour to assist further.

Of the complaints received during this reporting period 100% were responded to within our target of 10 working days (2023-24 100%).

Four cases of negative feedback were also recorded (two in year prior). These related to the eligibility criteria for the Business Innovation Grant, concerns regarding an overseas office 'cold calling' potential investors, the metrics applied in order to receive funding and frustration relating to a perceived lack of support. This feedback was responded to either through email or face to face meetings and learning points have been applied where applicable.

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Internal Review

Following our initial response, the complainant has the option of requesting a further Internal Review of their complaint, (effectively an appeal process). No such requests were received in the reporting period, nor were any received in the year prior.

NIPSO Investigations

Following the Internal Review the complainant has the final option of requesting the Northern Ireland Public Sector Ombudsman to investigate Invest NI's handling of their complaint. No complaints were referred to the Ombudsman during this reporting period.

Analysis

Details of all complaints are recorded centrally, and this information is then analysed to identify trends or themes to drive improvement in our processes and services.

Invest NI's progress against the ten-day response target is also reported through our Standards of Service. Further information on the handling and monitoring of complaints can be found in the Invest NI Customer Charter and more specifically in the Invest NI Complaints Procedures, both of which are available on the Invest NI website.



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Statement of Accounting Officer's Responsibilities

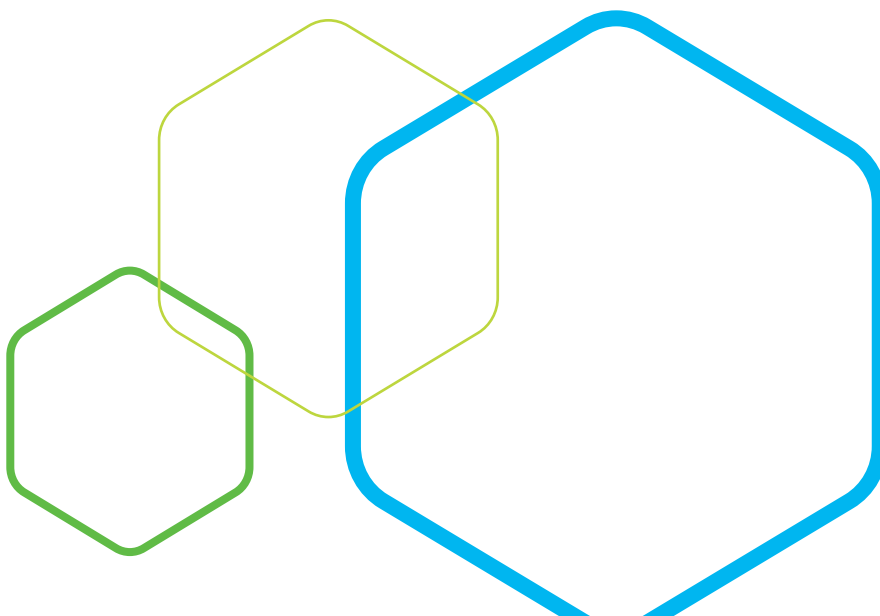
Under the Industrial Development Act (Northern Ireland) 2002, the Department for the Economy (DfE) (with approval from the Department of Finance (DoF)) has directed Invest NI to prepare, for each financial year, a statement of accounts in the form and on the basis set out in the Accounts Direction. The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of Invest NI and of its income and expenditure, Statement of Financial Position and cash flows for the financial year.

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

- observe the Accounts Direction issued by DfE with the approval of DoF, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis;
- make judgements and estimates on a reasonable basis;
- state whether applicable accounting standards as set out in the Government Financial Reporting Manual have been followed, and disclose and explain any material departures in the accounts; and
- prepare the accounts on a going concern basis; and
- confirm that the Annual Report and Accounts as a whole is fair, balanced and understandable and take personal responsibility for the Annual Report and Accounts and the judgments required for determining that it is fair, balanced and understandable.

The Accounting Officer of DfE has designated the Chief Executive as the Accounting Officer of Invest NI. The responsibilities as an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which the Accounting Officer is answerable, for keeping proper records and for safeguarding Invest NI's assets, are set out in Managing Public Money Northern Ireland (MPMNI) published by DoF.

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



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Governance Statement

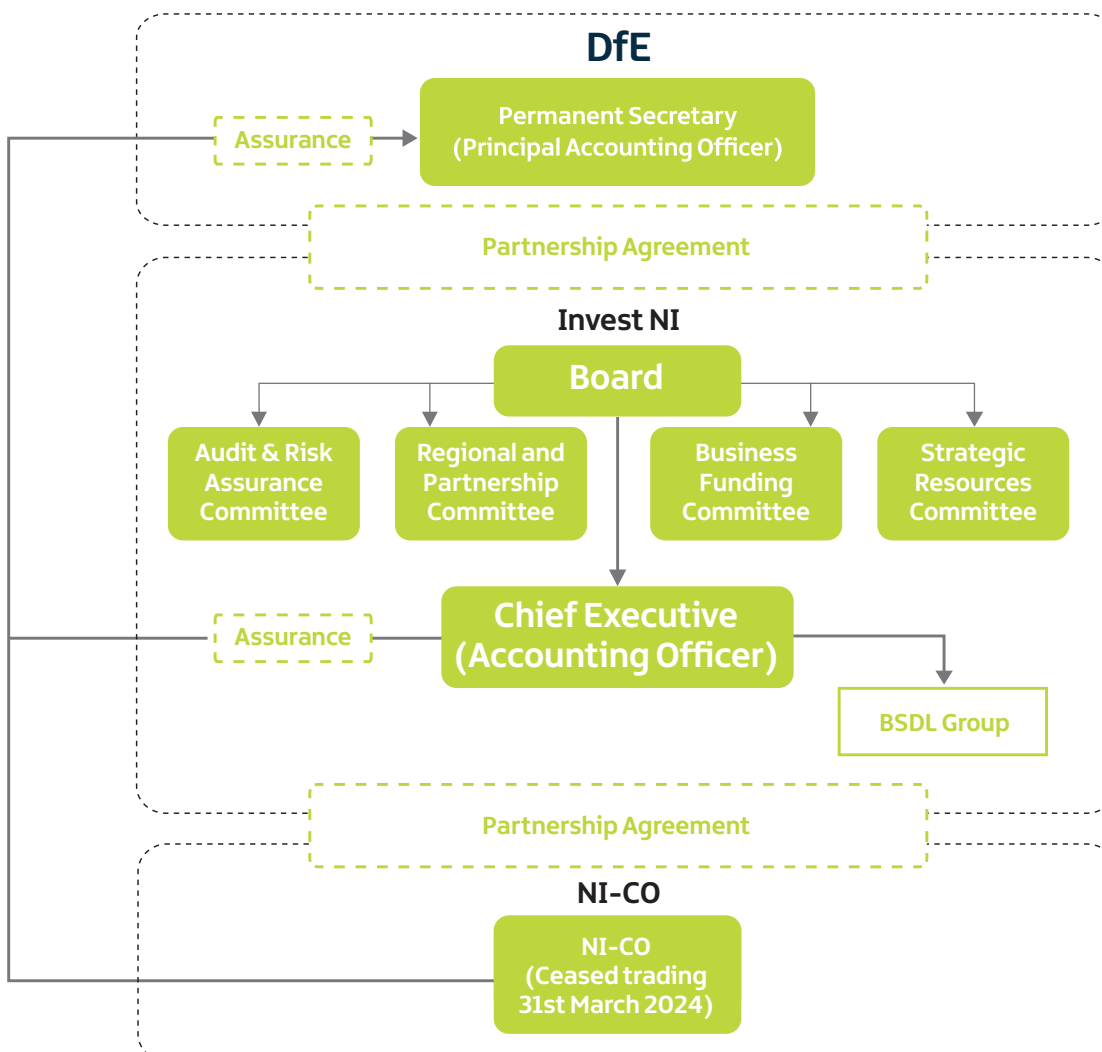
Introduction and scope of responsibility

This Governance Statement sets out the governance structures, risk management and internal control procedures that have operated within Invest NI during the financial year 2024-25 and up to the date of approval of the Annual Report and Accounts and accords with DoF guidance.

As Accounting Officer, I have responsibility for maintaining a sound system of internal control that supports the achievement of Invest NI's policies, aims and objectives, whilst safeguarding the public funds and assets for which I am personally responsible, in accordance with the responsibilities assigned to me in MPMNI.

Invest NI's Business Strategy 2024-27 ('*Our Future in Focus*') sets out our vision for delivering against the DfE Minister's economic priorities. The structures and systems described in this Governance Statement are fundamental to our aim of providing effective leadership and strategic alignment to deliver return on investment and transparency in public expenditure.

Invest NI's Governance Framework



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Responsibilities of the Board and Chair

Invest NI has a Board comprising a Chair and not fewer than 10 or more than 20 other members. Board members are appointed by DfE in line with the Code of Practice issued by the Commissioner for Public Appointments for Northern Ireland.

John Healy was appointed to the position of Chair on 1st March 2024 for a period of three years. With no further changes to its membership, going into 2025-26 the Board therefore consists of 12 members including the Chair. Further information relating to Board members' terms is provided at page 50.

The Board usually meets 10 times each year and the meetings are attended by the Chief Executive and members of the Executive Team.

The role of the Invest NI Board is to provide strong, confident and effective leadership, strategic direction, constructive challenge and guidance to the organisation. The Board has corporate responsibility to ensure that Invest NI fulfils the aims, objectives, policies and priorities set by the Department and approved by the Minister. The Board is responsible for ensuring that the organisation has effective and proportionate governance arrangements in place and an internal control framework which allow risks to be effectively identified and managed. The Board will agree the values and promote the culture of Invest NI and set the tone for the organisation's engagement with external stakeholders and customers.

The Chair is responsible for formulating the Board's strategy and promoting the efficient, economic and effective use of resources and ensuring the optimum allocation of the Budget to deliver the Board's strategic objectives. This includes providing input to, and approval of the Invest NI longer-term Business Strategy and Annual Business Plan.

The roles of the Chair and Board are set out in the DfE/ Invest NI Partnership Agreement. Following completion of a review of our suite of Operating documents approved in December 2022, (Code of Conduct, Conflicts of Interest Guidance, Standing Orders, Roles and Responsibilities for Board members and Board Secretariat) a new 'Board Governance Operating Framework' was approved by the Board in March 2025. This document now replaces the documents previously agreed by the Board in December 2022 and will become a single point of reference for Board members.

Conflicts of interests

The 'Invest NI Board Governance Operating Framework (Section 5)' is consistent with the requirements of DAO (DoF) 07/21: 'Guidance on Conflicts of Interest'. Board members are asked to declare any conflict of interest related to meeting agendas or the review of casework. On the identification of any conflict of interest, the relevant Board member(s) would be excluded from the discussions/decision-making related to the conflicted area of business. Further details regarding Related Party Transactions are in note 26.

Board performance and effectiveness

The Invest NI Board Governance Operating Framework incorporates the Principles of Public Life. All Board members are given Induction Training, which covers the structure, vision, values and objectives of the organisation; introductions to the senior management team; and more detailed sessions on aspects of the role, including a specific element focused on delegations including casework consideration, assessment and approval. Ongoing training is also provided, as required and in 2024/25 covered areas such as a 5 Case Model overview, and Finance and Budget Training.

In late 2024, a Board Effectiveness Review was undertaken, which involved both the Invest NI Board members and Executive Team. A comprehensive questionnaire was issued, which covered eight categories and 71 questions, and an Action Plan was approved and adopted by the Board on 30th April 2025. Progress against actions is regularly reviewed by the Board.

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During 2024-25 the Board met 10 times with additional Board Workshop sessions held in Invest NI Headquarters in April and October 2024. The Board met in West Belfast in April 2024, Dungannon in November 2024 and Lisburn in January 2025.

Board attendance 2024–25

Name of Board Member	Attendance per Board Member ¹					
	Board Meetings	Audit & Risk Assurance Committee	Business Funding Committee	Strategic Resources Committee	Regional Partnerships Committee	Executive Performance Assessment Committee
John Healy	10 (10)	N/A	N/A	N/A	N/A	1 (1)
Kieran Kennedy	10 (10)	N/A	N/A	5 (6)	3 (3)	N/A
Marie-Therese McGivern	9 (10)	N/A	N/A	6 (6)	1 (3)	N/A
Michael McQuillan	8 (10)	3 (5)	3 (3)	N/A	2 (3)	N/A
Colin Coffey	8 (10)	5 (5)	3 (3)	N/A	N/A	1 (1)
Ciaran Mulgrew	8 (10)	5 (5)	N/A	5 (6)	N/A	N/A
Dawn McLaughlin	9 (10)	5 (5)	N/A	N/A	2 (3)	1 (1)
Dominic Darby	7 (10)	N/A	1 (3)	5 (6)	N/A	N/A
Julie-Ann O'Hare	9 (10)	5 (5)	N/A	N/A	2 (3)	N/A
Melanie Dawson	9 (10)	N/A	2 (3)	N/A	1 (3)	N/A
Patrick O'Gorman	10 (10)	N/A	2 (3)	2 (6)	N/A	N/A
Scott Ritchie	8 (10)	N/A	2 (3)	3 (6)	N/A	N/A

Note:

¹ Number in brackets represents the maximum number of meetings the member could have attended.

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Board Succession Management

The initial terms of seven Board Members (Ciaran Mulgrew, Dawn McLaughlin, Dominic Darby, Julie-Ann O'Hare, Melanie Dawson, Patrick O'Gorman and Scott Ritchie) expired at the end of June 2025, with all agreeing to complete a second term effective from 1st July 2025 for a period of three years. Kieran Kennedy resigned from the Board in June 2025. The three remaining members (Colin Coffey, Marie-Therese McGivern and Michael McQuillan) will all complete their second terms at the end of March 2026 and retire from the Board. This will result in the need to run a competition for new Board members in late 2025. John Healy was appointed to the position of Chair from 1st March 2024 for a period of three years.

Board Committees

In 2024-25 the discharge of some of the Board's responsibilities was delegated to the following Committees:

- Audit & Risk Assurance Committee
- Business Funding Committee
- Strategic Resources Committee
- Regional & Partnerships Committee
- Executive Performance Assessment Committee

Audit & Risk Assurance Committee (ARAC)

The ARAC is responsible for reviewing and providing independent assurance to the Board and Accounting Officer on:

- the adequacy of the internal control environment;
- risk management and corporate governance arrangements;
- compliance matters; and
- internal and external audit issues.

For the year 2024/25 the Committee comprised the Chair (Dawn McLaughlin) plus Colin Coffey, Ciaran Mulgrew, Julie-Ann O'Hare, and Michael McQuillan.

ARAC meetings are also attended by the Chief Executive; Executive Director of Finance; the Director of Finance, Risk and Assurance Division; Senior Risk Manager; the Director of Performance, Compliance and Co-ordination Division; and representatives from DfE, Northern Ireland Audit Office (NIAO), and Internal Audit Service (IAS). In line with its Terms of Reference, the Committee held five meetings in 2024-25, comprising four 'regular meetings' and one meeting to review and endorse the Annual Report and Accounts.

In November 2024 the Committee commenced a self-assessment exercise in line with the commitment in its Terms of Reference to complete an annual review of its own performance. The results of the self-assessment exercise are being analysed to identify any areas for improvement, which will be addressed through an agreed action plan.

The Committee continues to operate a 'Rolling Agenda' system that ensures that all major issues are reviewed at least on an annual basis. The ARAC reviewed and approved a revision to the rolling agenda at its October 2024 meeting. Standing items on the agenda of each regular meeting include a review of the Corporate Risk Register, detailed discussion on key corporate risks, an update on progress against the agreed Internal Audit plan, internal and external audit recommendations, a review of the work of the Governance Council and updates on current fraud and whistleblowing investigations. Other topics covered by the Committee in 2024-25 included Procurement practices; the Business Continuity process; Management of External Delivery Organisations (EDOs); risk of Cyber Security attacks; Internal Test Drilling; Complaints & Feedback; Casework Approvals; NI-CO; and review of Outstanding Internal Audit Recommendations.

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The ARAC sought assurance on the circumstances behind a number of cases that required retrospective approval (further details of which are provided on page 60). In addition, the Committee continues to provide oversight to an ongoing exercise to clear outstanding Post Project Evaluations and updates the Board on progress.

The ARAC Chair has also met with Internal Audit Services and NIAO outside the scheduled ARAC meetings throughout the year and provided input into the Internal Audit plan for 2025-26.

In the ARAC's Annual Report for 2024-25 the Chair confirmed that the Committee considered the assurance available was sufficient to support the Board and the Accounting Officer in their decision-taking, their accountability obligations and the overall management of risk. Following each Audit & Risk Assurance Committee meeting, the Chair provides a verbal update to the full Board on any significant matters arising, with full written minutes provided by the Committee secretariat.

Other Committees

The *Business Funding Committee* supports the Board in fulfilling its oversight and strategic management responsibilities in respect of a number of key funding streams, including Access to Finance, Innovation and R&D funding, grant funding and external funding streams. The Committee met three times in 2024-25 in order to provide an oversight and challenge function independent of the Invest NI executive management.

The *Strategic Resources Committee* provides support and advice to the Board by monitoring and reviewing the key decision making relating to Financial Management, People Resources, Communications, Digital, Information Technology and Data Management. It meets six times per year or more often if required.

The *Regional Partnerships Committee* has the role of strategic oversight and monitoring, at the sub regional level, of Invest NI's delivery activity, aiming to ensure that the delivery of the Invest NI strategic plan is benefitting all of Northern Ireland. The Committee supports the development of partnerships and delivery of Invest NI's strategic priorities and promoting the work of Invest NI across NI. The Committee is scheduled to meet a minimum of four times per year.

In February 2024, a new Board sub-committee was formed to subsume the work previously undertaken by the now disbanded Remuneration Committee.

The *Executive Performance Assessment Committee* has the role of drafting on an annual basis for agreement by the Board, those targets/performance indicators against which the performance of the Chief Executive will be assessed. The Committee will also discuss and agree the annual job plan and final performance targets for the Chief Executive on behalf of the Board, thereby ensuring they are fully aligned with the agreed Invest NI Business Strategy and the Minister's policy priorities. The Committee will also assess the performance of the Chief Executive twice a year on behalf of the Board. The Committee is scheduled to meet a minimum of two times a year.

Executive Committees

In addition to the Board Committees, a number of Executive Committees were also in operation throughout 2024-25. As part of ongoing organisational restructuring, consideration is currently being given to how the roles and responsibilities of these committees will be mapped into the new Executive structure.

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Internal Audit Committee

The Internal Audit Committee is an Executive Committee responsible for reviewing internal compliance issues, implementing action plans and audit recommendations, developing internal control systems and providing advice to the Audit & Risk Committee. The Committee met three times during 2024-25. Issues discussed included: reviews of the audit strategy and annual plan; progress against the annual audit plan; reviews of External Delivery Organisations; assurance provided by other bodies; and updates on current fraud investigations. Meetings are chaired by the Executive Director, Finance and the Committee also includes a number of other Executive Directors, the Director of Finance, Risk and Assurance Division and the Director of Performance, Compliance and Co-ordination Division, with representatives from IAS also in attendance. The terms of reference were last updated in December 2023.

Executive Committee (ExCo)

As part of the move to a new structure of executive committees, the Executive Leadership Team (ELT) was renamed Executive Committee (ExCo) in January 2025. ExCo reports directly to the Chief Executive and has responsibility for the strategic direction and operating effectiveness of Invest NI, and for promoting an effective financial control and budgetary management framework. ExCo is responsible for achieving Invest NI's goals and targets, as set out in the corporate and operating plans, and oversees the delivery of Invest NI's range of programmes and services.

ExCo (and, previously, the ELT) met regularly during 2024-25 to review the performance of the organisation against agreed targets, monitor budget requirements and outturn, and ensure implementation of agreed actions to achieve Invest NI's strategic, operational, and financial objectives.

Governance Council

The Governance Council was established in July 2021 to review the implementation of compliance policies and procedures and to oversee the development of a programme of continuous improvement to ensure that the governance framework is both appropriate and effective. The Council is made up of senior managers and other key staff from both governance-related functions and commercial teams. An update on the work of the Governance Council is reviewed by the Audit & Risk Assurance Committee at each regular meeting.

Credit Committee

The Credit Committee was established in April 2022 to provide advice on those projects that involve Invest NI providing debt and/or equity support and for projects classified as "very high risk". In addition, the Committee is responsible for approving material changes to any Debt/Equity Project or Very High-Risk Project throughout the project's lifecycle, prior to the amendment then being considered by the Board (if originally approved by the Board). The Committee comprises a minimum of three members including the Executive Director of Finance and two Directors / Grade 6 staff from different divisions with relevant experience.

Other guidance and policies

Code of Ethics and Conduct

Central to the proper conduct of public business is the need for Invest NI staff to follow the seven principles of public life as set out by the Committee on Standards of Public Life. Invest NI operates a robust Code of Ethics applicable to all staff members. The code, as summarised in the staff handbook, sets out the obligations of staff to discharge public functions reasonably and in accordance with the law and to conduct themselves with integrity, impartiality and honesty while ensuring the proper, effective and efficient use of public money.

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The Invest NI Conflicts of Interest policy requires all staff, regardless of grade or position, to disclose any area of actual, potential or perceived conflict with the interests of Invest NI. The policy is designed to ensure that staff do not misuse their official position or use information acquired in the course of their official duties to further their private interests or those of others. Where a potential conflict of interest, actual or perceived, is identified, the staff member involved will normally be removed from any contact, evaluation or assessment process relating to the particular case or organisation.

Invest NI maintains a register of all outside appointments or interests held by its staff. All employees are required to complete an annual return ('Register of Interests: Declaration by Member of Staff') or submit a nil return where appropriate. Employees have an absolute duty to declare any changes to their circumstances, including new interests, which could bring about a conflict of interest or the perception of a conflict. Agreements must be documented between individuals and their line manager before appointments are taken up, with the register then updated accordingly. This process is designed to provide the assurance that any outside employment held by Invest NI staff, including its senior management team, does not present a conflict of interest.

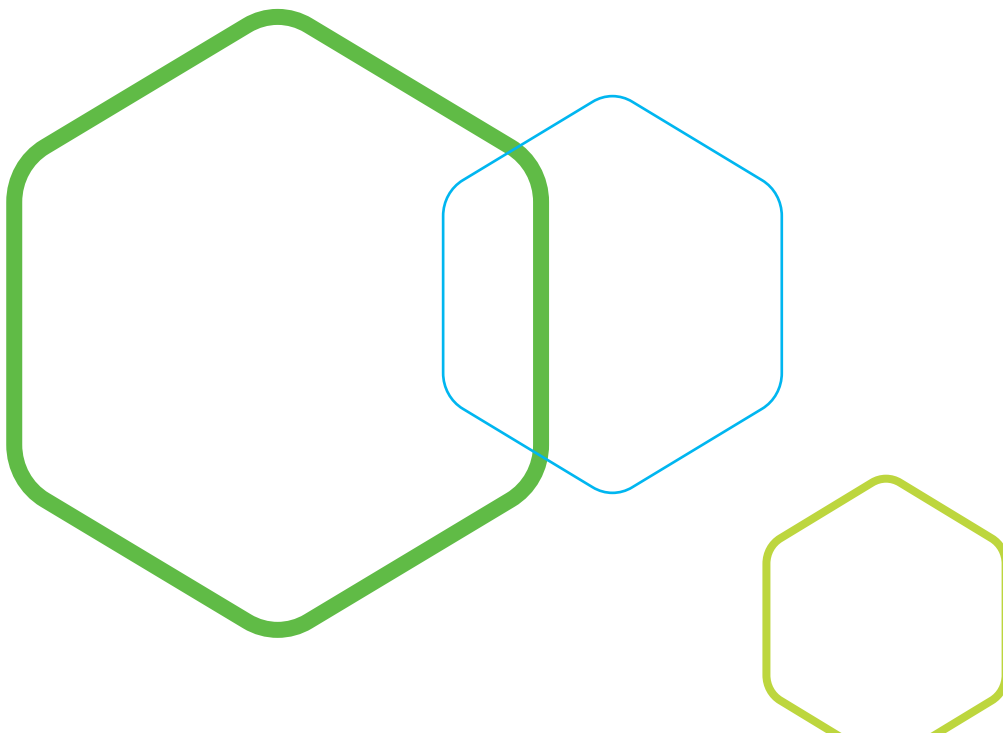
The Invest NI gifts and hospitality procedures are based on the fundamental principle that, in general, all gifts should be refused, and no member of staff should receive anything that might reasonably be seen to compromise personal judgement or integrity. All offers of gifts and hospitality, whether accepted or refused, must be recorded on a central register for review and monitoring. Invest NI's Guidance on Gifts and Hospitality was updated in November 2022, with the revised procedures reviewed by the Audit & Risk Committee. The guidance was subsequently further updated in August 2025.

Staff members are also required, as outlined in the staff handbook, to be aware of and observe the terms of the Bribery Act 2010.

Bribery, Fraud Prevention and Raising Concerns (Whistleblowing) Policies

Invest NI requires all staff to act honestly and with integrity and to safeguard the public resources for which they are responsible. Invest NI procedures stipulate that any suspected or alleged fraud must be investigated and reported to DfE's Fraud and Raising Concerns Branch, which in turn notifies the Northern Ireland Audit Office and the Department of Finance. Cases are referred to the police where appropriate.

A rolling communications plan is in place to continue raising staff awareness of their responsibility to safeguard public resources against the risk of fraud, as well as their responsibilities regarding bribery and to encourage staff to raise their concerns in line with public disclosure legislation. Attendees at key monthly senior management and Board meetings are also reminded, via a standing agenda item, of the policy and the need to consider any issues they are aware of that should be raised under these mechanisms.



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A summary of the activity related to these policies in 2024-25 is outlined in the table below. Progress on outstanding cases is reported to the Audit and Risk Assurance Committee at each regular meeting.

Governance Process	Guidance Documents	Activity in Year
Bribery	Anti-Bribery Compliance Policy and Guidance Manual	None
Public Interest Disclosure	Raising Concerns Policy and Raising Concerns Procedures for Staff and Managers	One case reported to DfE during the course of the year. The case was subsequently closed in May 2025. Two cases reported in previous years have been closed and all necessary actions taken.
Fraud Prevention	Anti-Fraud Policy and Fraud Response Plan	Five cases of suspected fraud were notified to DfE in line with the Invest NI Fraud Response Plan, one of which has subsequently been referred to the PSNI, and four of which have subsequently been closed. Three cases from prior years remained open at the end of 2024-25, all of which had been referred to the PSNI. One of these cases closed in May 2025. Two cases from previous years have been closed.

Fraud and error in Invest NI support schemes

Invest NI's approach to the prevention and detection of fraud is documented in its Anti-Fraud Policy, while the Fraud Response Plan provides a guide to how cases of suspected or alleged fraud are handled. Each grant-giving programme features controls that are designed to minimise the risk of fraud and error. These controls are regularly reviewed by Internal Audit Service as part of its rolling cycle of reviews.

Where fraud is detected, Invest NI adopts a zero-tolerance approach and will seek to refer the matter to the PSNI where appropriate and recover any funds that have been paid out. As noted above, five cases of alleged or suspected fraud were notified to DfE during 2024-25. In one case, further review of the circumstances served to confirm that there had been no attempt to defraud Invest NI. In another case, the alleged fraud did not relate to Invest NI or any of its support schemes. In the remaining three cases, which are still under investigation, the relevant grant claims paid to the companies in question totalled approximately £18k. This compares to overall activity during the year, which saw £88m of assistance offered to businesses to support 2,062 investment projects.

Invest NI does not assume that the cases identified above represent the sum total of attempted or actual fraud perpetrated by the companies it supports through its major schemes. While it is difficult to estimate the actual level of fraud and error, we remain content that the controls in place to prevent and detect fraud, as assessed by Internal Audit Service, are operating effectively and are robust.

Invest NI's compliance with the Corporate Governance Code

The Corporate Governance in Central Government Departments: Code of Good Practice NI (the Code) seeks to promote good corporate governance in central government departments. The focus of the Code is on ministerial departments but as a NDPB, Invest NI is compliant with the practices set out in the Code wherever this is relevant, practical and suits our business needs.

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Relationship with subsidiary company NI-CO

The Relationship Framework Document between Invest NI and its subsidiary NI-CO sets out the responsibilities and reporting requirements between the company, Invest NI and DfE. As designated Accounting Officer for Invest NI and its subsidiary companies, the Chief Executive of Invest NI is ultimately responsible to the Departmental Permanent Secretary in his role as DfE Accounting Officer.

A strategic review by the NI-CO Board in 2023-24 concluded the company could no longer be considered a going concern and would cease operations by 31st March 2024 as the company was no longer eligible to bid for contracts under the 2021-27 EU Multi-Finance Framework Programme due to changes in the trading relationship between the EU and the UK.

In December 2023, KPMG was appointed by the NI-CO Board to advise on the most appropriate method for closing and dissolving the company and implement the closure, including leading on negotiations with key stakeholders.

In August 2024, the NI-CO Board, having undertaken a full inquiry into the company's affairs, passed the relevant resolutions to recommend to Invest NI (as shareholder) that the company be voluntarily wound up by way of a Members' Voluntary Liquidation. KPMG was appointed as Liquidator.

Written Resolutions were signed and returned by Invest NI on 29th August 2024. The liquidation of NI-CO then commenced, with this process currently ongoing. As outlined in note 24 to the accounts on page 146, from 29 August 2024 the NICO accounts have been deconsolidated from the Invest NI group accounts, as following the formal appointment of the liquidators, Invest NI no longer has the power to control the activities of NI-CO.

Relationship with BSDL Group

During 2013-14 the acquisition of the BSDL Group was completed, allowing Invest NI to take ownership of the Bedford Street building. The BSDL Board meets regularly and financial reporting for the group is consolidated within the Invest NI annual accounts. The BSDL Group Directors, comprising the Invest NI Executive Directors of People & Culture and Finance, present the audited BSDL annual financial statements to the Accounting Officer prior to consolidation into the Invest NI annual accounts. The Group Directors receive no remuneration from BSDL. The Invest NI policies and procedures, including all governance arrangements, have been adopted by the BSDL group and during 2018 the companies were classified by HM Treasury as Non-Departmental Public Bodies.

As such any significant governance issues arising would be reported in the six-monthly assurance statement and brought before the Invest NI Audit & Risk Assurance Committee and Board as required. No such issues were identified in 2024-25.

Relationships with Delivery Partners

Written contractual or partnership agreements are in place with Delivery Partners (known as External Delivery Organisations; EDOs) or Service Providers who deliver specific services or activities on behalf of Invest NI.

These agreements also set out the performance and reporting requirements, which in turn are monitored by designated managers within Invest NI. Detailed guidance on the commissioning and management of EDOs is available to all staff via the Invest NI intranet. As part of the overall internal audit service provided by DfE, a rolling inspection programme of EDOs and their management by Invest NI is tendered and carried out by external consultants. The current contract for this work commenced in April 2022.

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The 2024-25 Internal Audit Plan included a number of EDO inspections (carried out by the service provider) and sponsor controls reviews (carried out by Internal Audit Service) to look at the Invest NI management of EDO relationships.

The Independent Review of Invest Northern Ireland

Work has continued on the implementation of the Independent Review Action Plan, which was published on 4th October 2023. A total of 35 Strategic Actions were developed across 12 key areas. Progress to the end of the 2024-25 financial year has seen 27 of the 35 actions completed, with a further seven due for completion by December 2025 and the remaining action due in December 2026. Of the eight outstanding actions, six are owned by Invest NI and DfE is responsible for the other two. The four actions relating to the “Risk & Control” section of the Independent Review have now been completed and operationalised within Invest NI.

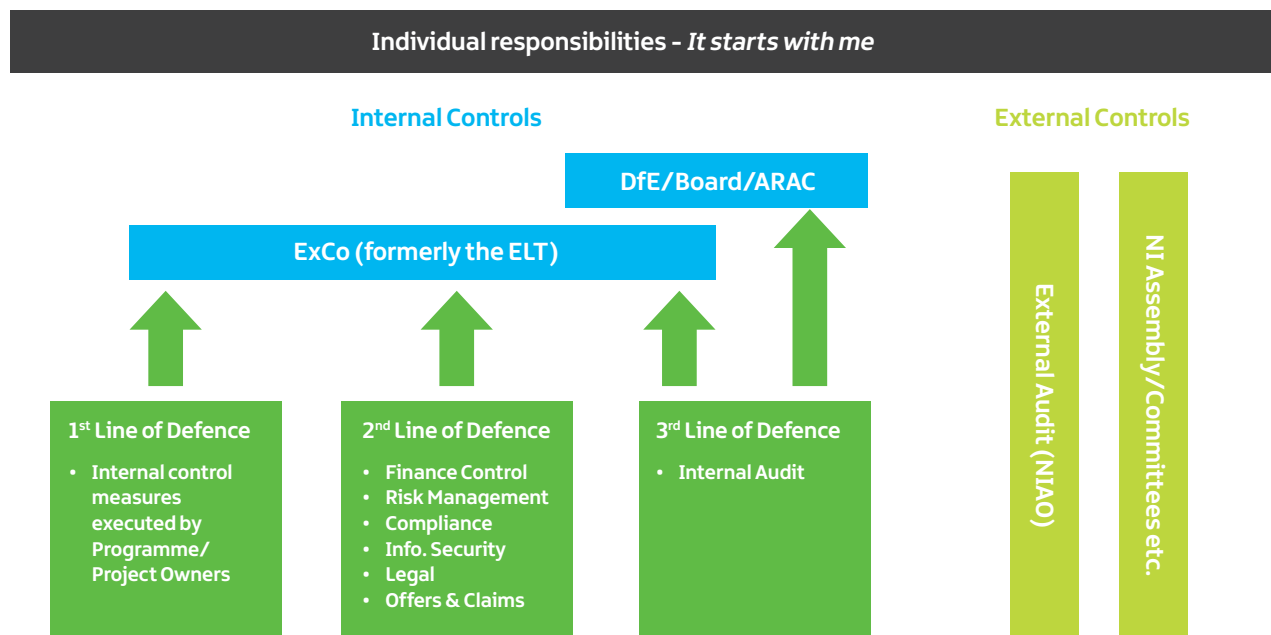
Ministerial Directions

There were no Ministerial Directions received in 2024-25.

The risk and control framework

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. Invest NI’s risk and control framework is based on the three lines of defence:

The Three Lines of Defence



Risk Management policy

The Board, Chief Executive, and ExCo have overall responsibility for determining the risk management policy within Invest NI. This includes designing, implementing and maintaining risk management systems to identify and manage those risks that could adversely impact the achievement of the organisation’s objectives. The organisation’s risk management arrangements are documented in the Risk Management Framework, which was launched in October 2024 to replace the Risk Management Strategy and Policy.

Accountability Report - Corporate Governance Report

Risk management is increasingly integrated into the corporate planning and decision-making processes of the organisation. During the year bi-annual assurance statements were submitted to DfE, providing an account of the internal control matters arising in each of the reporting periods. The Corporate Risk Register is provided to each quarterly Oversight and Liaison meeting between Invest NI and DfE. The Audit & Risk Assurance Committee is provided with a copy of the Corporate Risk Register and a summary of any additions, deletions and movement in the 'Very High' category. Through these processes, the Board and ExCo demonstrate that procedures are in place for verifying that aspects of risk management and internal control are regularly reviewed and reported on.

The Risk Register is subject to a quarterly review by the Risk and Assurance Team, which undertakes an independent challenge function and works closely with Divisions to refine, articulate and manage risks at Corporate and Group level. Any fully managed risks are removed from the Register and kept under review, while new risks, both at Corporate and Group level, are brought forward as considered necessary.

Further details of the principal risks facing Invest NI are found on page 21.

The Invest NI Board held a risk workshop in October 2024 to discuss the rollout and communication of the Risk Appetite Statement that had been approved by the Board in February 2024. The Board also took the opportunity to review the Emerging Risk Register, which monitors long term threats and opportunities that are relatively remote but that have the potential to impact on the organisation's business.

In March 2025 the Risk and Assurance Team provided the Board with refresher training on the format and content of the Corporate Risk Register and the associated procedures for updating the register.

The Audit & Risk Committee met four times, and the Internal Audit Committee three times, to review and advise on the risk management, control and governance arrangements. These include audit issues arising during the period, key projects, ongoing operational matters and investigations.

Business Continuity

Invest NI's Business Continuity Plan (BCP) was last reviewed and updated in March 2025. All members of the Incident Management Team (IMT) have been provided with online access to the document and a printed copy for safe keeping.

In response to a recommendation arising from the ISO 27001 audit in November 2023, a new Cyber Response Plan (CRP) was finalised and added to the BCP in May 2024. In order to test the effectiveness of this plan and the competency of the IMT, Invest NI invited one of its specialist third-party cyber security contractors to develop and deliver a tabletop exercise as part of the BCP testing regime. This exercise took place on 8th November 2024 with key IMT members referring to and successfully following both the BCP and the CRP.

The third-party contractor was content with the IMT's response to the scenarios presented, which included equipment/information theft and cyber-attack, and agreed that suitable and sufficient information was contained within the BCP/CRP to successfully guide the team during such a situation. The contractor followed up with a detailed report including several best practice recommendations that have been added to the Information Governance Group (IGG) action register, with progress monitored through quarterly IGG meetings.

Accountability Report - Corporate Governance Report

The Incident Management Team (IMT) convened in May 2025 for the first of two classroom-based exercises planned for 2025-26.

Data Security

Following the annual external independent Information Security Audit in November 2024, Invest NI continues to be certified to the international security standard ISO 27001. The certification provides assurance that Invest NI maintains an Information Security Management System (ISMS) that protects the confidentiality, integrity and availability of corporate information. A review of Invest NI's ISMS was also carried out by Internal Audit Service during 2024-25, with no significant issues identified.

Security matters are overseen by an Information Governance Group (IGG) which met four times during the year. The IGG maintains an Information Security Risk Register which is reviewed on a regular basis to drive information security continuous improvement. Any key risks are escalated to the Corporate Risk Register. The IGG also provides updates to the Audit & Risk Assurance Committee on the progress of risks and mitigations (including cyber security).

During the year there was one case involving loss of an encrypted mobile device, 7 incidents relating to unauthorised disclosure of information and one case of unauthorised access to information, all of which had a mitigated risk rating of "low". None were deemed necessary to report to the ICO. All of the incidents were contained, and mitigations put in place against future risk.

Communications on information security matters were issued on a regular basis throughout the year. All staff were required to complete annual mandatory information security awareness training during 2024-25.

Invest NI's staff continued to work remotely as part of a hybrid working model and compliance with information security and data protection in the remote working environment being a component of mandatory training. Invest NI continues to implement security controls to support this approach, such as secure connection via VPN and encrypted equipment.

Invest NI's Data Protection Officer (DPO) continues to work with all parts of the business on the ongoing compliance with the requirements of the UK General Data Protection Regulation (UK GDPR), and to promote the principles of 'Data Protection by Design and by Default'. All staff were required to complete annual mandatory data protection awareness training issued during 2024-25.

Review of Effectiveness

As Accounting Officer, I have responsibility for reviewing the effectiveness of the system of internal control. My review is informed by the work of the internal auditors, by the Executive Directors within Invest NI, who have responsibility for the development and maintenance of the internal control framework, and by comments made by the external auditors in their 'Report to those Charged with Governance' and other reports. I have also considered the Independent Review panel's observations regarding risk and control. The Audit & Risk Assurance Committee, on behalf of the Board, reviews the range of available assurance in formulating its opinion on the overall effectiveness of the controls place. I note the Committee's Annual Report concludes that controls are operating effectively, and I welcome the Committee's ongoing input to identifying potential areas for improvement. I have noted the Audit & Risk Assurance Committee's opinion in my review of the effectiveness of the system of internal control and a plan is in place to address weaknesses, including those identified in the Independent Review report.

Accountability Report - Corporate Governance Report

Group Assurance Statements on Internal Control

During 2024-25 each of the Executive Directors conducted a quarterly review and provided Assurance Statements on Internal Control for their areas of responsibility. These reviews and the completion of the Assurance Statements were supported by the use of Internal Control checklists. Key findings were discussed with me, and this work helped inform my bi-annual Assurance Statements to the DfE Permanent Secretary.

Internal Audit

Invest NI's internal audit function is provided by the NICS Internal Audit Services (IAS). Internal Audit is an independent and objective function that evaluates and makes recommendations to improve the effectiveness of risk management, control and governance processes. The Head of Internal Audit's (HIA) annual report and opinion is a key element in the framework of assurance that I, as Accounting Officer, may use to inform this Governance Statement.

The Internal Audit Plan for 2024-25 was reviewed by the Internal Audit Committee and Invest NI management prior to approval by the Audit & Risk Assurance Committee at its meeting in February 2024. Progress against the Plan is reviewed at each meeting of the Internal Audit Committee and at each regular Audit & Risk Assurance Committee meeting. IAS submits regular reports, including the HIA's independent opinion on the adequacy and effectiveness of Invest NI's system of internal control and the management of key business risks, together with recommendations for improvement. At its February 2024 meeting ARAC agreed the deferral of two reviews from the 2024-25 plan until the following year. The Audit & Risk Assurance Committee has accepted the need for the deferrals and has approved the changes to the Plan.

In addition to the formal reporting IAS responded to a number of requests for advice from Invest NI management and its Audit & Risk Assurance Committee.

IAS also manages the rolling programme of EDO inspections through the engagement of an external service provider. The 2024-25 Internal Audit Plan included a number of EDO inspections (carried out by the service provider) and sponsor controls reviews (carried out by Internal Audit Service) to look at the Invest NI management of EDO relationships.

No IAS Audit Reports received a limited opinion in 2024-25 and the HIA has provided an overall satisfactory audit opinion (the highest rating available) with regard to the adequacy and effectiveness of Invest NI's risk management, control and governance processes for the 2024-25 year.

In forming his overall opinion, the HIA considered progress against the recommendations made in the Independent Review of Invest NI (January 2023), some of which relate to Risk and Control. The 2024-25 Internal Audit Plan included an assurance assignment review of the oversight and monitoring arrangements established in respect of the delivery of the Independent Review Action Plan, which concluded there was a satisfactory system of control in place.

Accountability Grid

Since the early 1980s a number of reports have been presented by bodies such as the NIAO and Public Accounts Committee, Westminster or Stormont, making recommendations relevant to corporate governance arrangements within Invest NI or its predecessor bodies. Invest NI is informed by DfE of any recommendations that directly related to the organisation. These are recorded in an 'Accountability Grid' to ensure that all necessary actions are being progressed. This is supplemented by recommendations made in reports related to other organisations that also had an impact on, or potential relevance to, Invest NI. The ARAC rolling agenda previously included an annual report to the Committee on recommendations that had been added to the Accountability Grid and an update on any outstanding actions.

Accountability Report - Corporate Governance Report

Following feedback from the ARAC about the lack of relevance of the majority of recommendations being added to the Accountability Grids, at the December 2024 meeting, a new process was agreed, whereby the Risk and Assurance Team will review recommendations from PAC and provide a summary of any relevant action required to the ARAC at each regular meeting. This new reporting commenced from the February 2025 ARAC meeting.

NIAO Reports

The NIAO published a good practice guide on Effective Audit & Risk Committees that is directly relevant to the operation of Invest NI's ARAC. While not directly relevant to Invest NI, we also note the publication of reports in relation to a) assessing progress with the implementation of the RHI Public Inquiry recommendations; b) the NIAO Departmental Guides, including coverage of the Department of the Economy; and c) Developing the Skills for NI's Future.

Public Accounts Committee Issues

There were no Public Accounts Committee issues raised in 2024-25.

Significant internal control problems

Three regularity issues relating to DoF approvals were identified and reported on in the 2022-23 Annual Report and Accounts, with retrospective approval subsequently being granted for each. In response to this, Invest NI's Performance, Compliance and Co-ordination Division (PCC) commissioned a project owner review of compliance with DoF conditions of approval. The results of this initial review indicated that the majority of 'live' cases were fully compliant. One of the remaining cases had an outstanding condition relating to the completion of an evaluation, to which DoF agreed to an extension and two cases had not received DoF approval. These two cases (total approved amount £312,383) from this initial review were subsequently granted retrospective approval in April 2024.

Following correspondence with DoF relating to one of the cases in this initial review, a further review was carried out on DoF approvals that identified a further three cases where a reduction in expenditure resulted in savings in excess of the 10% tolerance. These three cases (approvals totalling £11.7m) have subsequently been granted retrospective approval.

During 2024-25 Invest NI corresponded with DoF about a number of approved cases that had previously been extended. In considering whether those extensions breached the DoF condition of approval regarding significant changes in the scale or scope of the project, Invest NI used the provisions of its Amendments Policy, which stated that for projects or programmes approved before August 2022 (when Better Business Cases NI guidance (BBCNI) effectively replaced the Northern Ireland Guide to Expenditure Approval and Evaluation (NIGEAE)), an extension of up to 24 months was classed as non-material. A number of extensions had therefore been deemed non-material and approved internally.

Following the response from DoF and from DfE accountability team it was confirmed that the Invest NI long-standing approach of using time extensions of 24 months (NIGEAE) or 12 months (BBCNI) to establish if a time extension is material is incorrect and instead the 10% rule should also be applied to time extensions. Invest NI amendments policy has now been updated to correct this but as a result of the misinterpretation, retrospective approval was required from DoF, and subsequently granted for extensions on eight cases (approvals totalling £110.17m).

Invest NI has now established a database of all live projects, programmes and business cases that have been approved by DoF, with PCC having responsibility for the centralised oversight and test drilling process that provides further assurance that approval conditions are being observed.

Accountability Report - Corporate Governance Report

The issues giving rise to requirement for the retrospective approvals detailed above have been identified and discussed at both ARAC and the Board. Lessons learned will continue to be communicated throughout the organisation in order to strengthen governance arrangements in this area.

Impact of NI-CO on the preparation of the group accounts

As detailed on page 55, NI-CO entered liquidation on 29 August 2024 and following the formal appointment of liquidators, Invest NI no longer has the power to direct the relevant activities of NI-CO. Under accounting standards, from the point that the parent no longer controls the subsidiary, the financial results of the subsidiary must not be consolidated into group statements. Therefore the group recognises the loss NI-CO made in 2024-25, only up to the date of liquidation and the consolidated statement of financial position at 31 March 2025 no longer includes the NI-CO assets and liabilities.

As Invest NI retains the entire shareholding of NI-CO, in the Invest NI statement of financial position, the asset is transferred from an investment in a subsidiary to a financial asset which is revalued to the carrying value of the net assets of NI-CO.

More detail on the accounting treatment is disclosed in note 24.

Conclusion

I have considered the evidence provided with regards to the production of the Annual Governance Statement, including the findings of the Independent Review and the advice and assurance provided by the Audit & Risk Assurance Committee. I conclude that Invest NI has satisfactory governance and risk management systems with effective plans to ensure continuous improvement.



Accountability Report - Remuneration and Staff Report

Remuneration Report

The Remuneration and Staff Report sets out Invest NI's Remuneration Policy for our Board members and ExCo (formerly the ELT), reports on how that policy has been implemented and sets out the amounts awarded to Board members and ExCo and, where relevant, the link between performance and remuneration. It also contributes to Invest NI's accountability to the Northern Ireland Assembly and best practice with corporate governance norms and codes.

Chair and Board members

The Chair and Board members are appointed in accordance with the Code of Practice of the Office of the Commissioner for Public Appointments for Northern Ireland. The Chair and Board members are appointed for a fixed period of up to five years. Thereafter they may be re-appointed in accordance with the Code of Practice.

The remuneration of the Chair and Board is set by DfE. Increases are calculated in line with the recommendations of the Senior Salaries Review Body. There are no arrangements in place for the payment of a bonus.

Neither the Chair nor any Board members receive pension contributions from Invest NI or DfE. Invest NI reimburses the Chair and Board members for any incidental expenses incurred for carrying out their duties relevant to the organisation.

The remuneration of the Chair and Board members is as follows (the information in the table below has been subject to audit):

	Salary (£'000)		Salary (£'000) FYE		Benefits in kind (to nearest £100)	
	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24
Colin Coffey	14	14	14	14	1,000	1,000
Kieran Kennedy	14	14	14	14	-	-
Marie-Therese McGivern	14	14	14	14	-	-
Michael McQuillan	14	14	14	14	-	-
Dominic Darby	14	14	14	14	-	-
Melanie Dawson	14	14	14	14	700	1,100
Dawn McLaughlin	14	14	14	14	-	-
Ciaran Mulgrew	14	14	14	14	-	-
Patrick O'Gorman	14	14	14	14	-	-
Julie-Ann O'Hare	14	14	14	14	-	-
Scott Ritchie	14	14	14	14	-	-
John Healy (appointed 1 March 2024)	48	4	48	46	-	-

Benefits In Kind

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

Reimbursement of Board members' travel expenses in respect of journeys made to Invest NI Headquarters has been determined by HMRC to be taxable emoluments. As a result, travel expenses reimbursed in respect of these journeys are included above as a benefit in kind together with the related tax on the benefit that is carried by Invest NI.

Accountability Report - Remuneration and Staff Report

ExCo

ExCo comprises of the Chief Executive and Executive Directors.

Remuneration Policy

The Board is responsible for agreeing the performance indicators against which the Chief Executive is measured, and to present recommendations to DfE on any annual pay increase for the Chief Executive. The annual pay increases for other members of ExCo (formerly the ELT) are paid on the same arrangements that apply to the Senior Civil Service (SCS). The pay remit for the NICS, including senior civil servants (SCS), is normally approved by the Minister of Finance.

Annual NICS pay awards are made in the context of the wider public sector pay policy. The pay award for NICS non-industrial staff, including SCS, for 2024/25 has been finalised and Invest NI paid this in June 2025, following approval of the pay remit by the Accounting Officer.

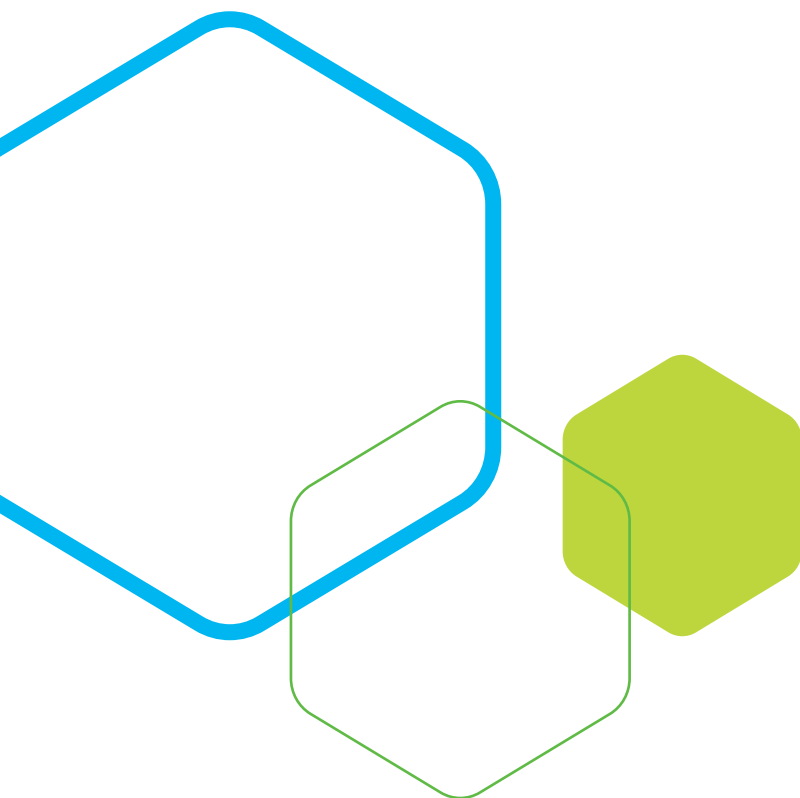
The remuneration of staff is based on a system of pay scales for each grade, including SCS, containing a number of pay points from minimum to maximum, allowing progression towards the maximum based on performance.

Service Contracts

As with all staff appointments, ExCo appointments are made in accordance with Invest NI's recruitment policy. The policy requires appointments to be made on merit on the basis of fair and open competition.

All ExCo members hold permanent appointments with the organisation that are open-ended. Early termination, other than for misconduct, would result in these individuals receiving compensation as set out in the Civil Service Compensation Scheme.

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



Accountability Report - Remuneration and Staff Report

Remuneration and pension entitlements

The following sections provide details of the remuneration and pension interests of the ExCo (formerly the ELT) (the information in the table below has been subject to audit):

Single total figure of remuneration								
	Salary (£'000)		Benefits in kind (to nearest £100)		Pension Benefits* (to nearest £1,000)		Total (£'000)	
	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24
Chief Executive:								
Kieran Donoghue Note 1	180-185	30-35 (170-175 FYE)	-	-	69	11	250-255	40-45
Executive Directors:								
Mel Chittock Note 2	280-285 (115-120 FYE)	145-150 (105-110 FYE)	-	-	24	(29)	300-305	115-120
Jeremy Fitch Note 3	280-285 (115-120 FYE)	105-110	-	-	35	(19)	315-320	85-90
Peter Harbinson	90-95	80-85	-	-	73	38	160-165	120-125
Steve Harper Note 4	170-175 (115-120 FYE)	105-110	-	-	37	42	205-210	145-150
Brian Dolaghan Note 5	300-305 (110-115 FYE)	95-100	-	-	88	46	385-390	140-145
Donal Durkan Note 6	100-105 (105-110 FYE)	100-105	-	-	214	(16)	310-315	85-90
Alan McKeown Note 7	90-95 (100-105 FYE)	85-90 (75-80 FYE)	-	-	35	35	125-130	120-125
Carolyn McKenna Note 8	-	35-40 (75-80 FYE)	-	-	-	31	-	65-70
Paula Logue Note 9	85-90	40-45 (80-85 FYE)	-	-	35	17	120-125	60-65
Ian Maxwell Note 10	5-10 (100-105 FYE)	-	-	-	(1)	-	0-5	-
George McKinney Note 11	0-5 (100-105 FYE)	-	-	-	(1)	-	0-5	-
Anne Beggs Note 12	15-20 (100-105 FYE)	-	-	-	16	-	30-35	-
Iain Joannides Note 13	5-10 (75-80 FYE)	-	-	-	3	-	5-10	-

The salary figures included in the table above reflect what was paid to the individuals during 2024-25, which may include an element of back pay relating to the previous year.

*Pension Benefits

The value of pension benefits accrued during the year is calculated as (the real increase in pension multiplied by 20) plus (the real increase in any lump sum) less (the contributions made by the individual). The real increases exclude increases due to inflation or any increase or decreases due to a transfer of pension rights. This figure has been calculated and provided to us by Civil Service Pensions. Accrued pension benefits included in this table for any individual affected by the Public Service Pensions Remedy have been calculated based on their inclusion in the legacy scheme for the period between 1 April 2015 and 31 March 2022, following the McCloud judgment.

Accountability Report - Remuneration and Staff Report

The Public Service Pensions Remedy applies to individuals that were members, or eligible to be members, of a public service pension scheme on 31 March 2012 and were members of a public service pension scheme between 1 April 2015 and 31 March 2022. The basis for the calculation reflects the legal position that impacted members have been rolled back into the relevant legacy scheme for the remedy period and that this will apply unless the member actively exercises their entitlement on retirement to decide instead to receive benefits calculated under the terms of the Alpha scheme for the period from 1 April 2015 to 31 March 2022.

Notes:

- 1 Kieran Donoghue was appointed to the role of Chief Executive on 29 January 2024.
- 2 Mel Chittock reverted to the role of Executive Director on 29 January 2024. Prior to that date, he was the Interim Chief Executive. 2023-24 FYE figure noted is for role of Executive Director. Mel left the role of Executive Director on 13 December 2024. Included within the 2024-25 salary disclosure is a voluntary exit package of £200-205k.
- 3 Jeremy Fitch left the role of Executive Director Business Growth on 13 December 2024. Included within the 2024-25 salary disclosure is a voluntary exit package of £200-205k.
- 4 Steve Harper left the role of Executive Director, International & Skills on 31 January 2025. Included within the 2024-25 salary disclosure is a compulsory exit package of £75-80k.
- 5 Brian Dolaghan left the role of Executive Director, Finance on 13 March 2025. Included within the 2024-25 salary disclosure is a voluntary exit package of £200-205k.
- 6 Donal Durkan was appointed to the role of Executive Director, Strategy & Partnerships on a fixed term basis from 1 October 2020. Donal left the role of Executive Director, Strategy & Partnerships on 5 March 2025.
- 7 Alan McKeown was appointed to the role of Executive Director, Regional Business on 1 October 2023. Prior to that date, he was the Chief Transformation Officer. 2023 -24 FYE figure noted is for the role of Executive Director, Regional Business. Alan was appointed to the role of Executive Director, Business Growth on 16 December 2024. Alan left the role of Executive Director, Business Growth on 30 March 2025. 2024-25 FYE figure is for the role of Executive Director, Business Growth.
- 8 Carolyn McKenna was appointed to the role of Executive Director, People and Culture on a fixed term basis from 1 December 2022 and left the role on 17 September 2023.
- 9 Paula Logue was appointed to the role of Executive Director, People and Culture on 18 September 2023.
- 10 Ian Maxwell was appointed to the role of Executive Director, Finance on 3 March 2025.
- 11 George McKinney was appointed to the role of Executive Director, Business Growth on 17 March 2025.
- 12 Anne Beggs was appointed to the role of Executive Director, International & Skills on 3 February 2025.
- 13 Iain Joannides was appointed to the role of Executive Director, Regional Business on 24 February 2025.

Salary

'Salary' includes gross salary; overtime; reserved rights to London weighting or London allowances; recruitment and retention allowances; private office allowances; and any other allowance to the extent that it is subject to UK taxation and any severance or ex gratia payments.

Bonuses

No member of ExCo (formerly the ELT) received any bonuses during 2024-25 or the previous year.

Pay Ratios

The following section is subject to audit

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

Accountability Report - Remuneration and Staff Report

The banded remuneration of the highest-paid director in Invest NI in the financial year 2024-25 was £180,000-£185,000 (2023-24: £170,000-175,000). The relationship between the mid-point of this band and the remuneration of the organisation's workforce is disclosed below.

2024-25	25 th percentile	Median	75 th percentile
Total remuneration (£)	28,483	42,315	45,351
Pay ratio	6.4:1	4.3:1	4.0:1

2023-24	25 th percentile	Median	75 th percentile
Total remuneration (£)	27,128	40,300	43,191
Pay ratio	6.4:1	4.3:1	4.0:1

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

There was no performance pay or bonuses paid to any of the individuals in the table above, therefore the salary shown equates to the total pay and benefits for each individual.

In 2024-25, no employees (2023-24, no employees) received total remuneration in excess of the highest-paid director.

Remuneration ranged from £24,000 to £180,000-185,000 (2023-24, £21,000 to £170,000-175,000).

Percentage Change in Remuneration

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

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

The percentage changes in respect of Invest NI are shown in the following table. It should be noted that the calculation for the highest paid director is based on the mid-point of the band within which their remuneration fell in each year.

Percentage change for:	2024-25 v 2023-24	2023-24 v 2022-23
Average employee salary and allowances	5.0%	4.6%
Highest paid director's salary and allowances	5.8%	6.2%
Average employee performance pay and bonuses	N/A*	N/A*
Highest paid director's performance pay and bonuses	N/A*	N/A*

* No performance pay or bonuses were payable in these years.

Accountability Report - Remuneration and Staff Report

Pension Entitlements

Pension details of ExCo (formerly the ELT) as at 31 March 2025 are as follows (the information in the table below has been subject to audit):

	Accrued pension at pension age as at 31 March 2025 and related lump sum	Real increase in pension and related lump sum at pension age	CETV at 31 March 2025	CETV at 31 March 2024	Real increase in CETV	Employer contribution to partnership pension account
	£'000	£'000	£'000	£'000	£'000	Nearest £100
Mel Chittock**	70-75 plus a lump sum of 180-185	0-2.5 plus a lump sum of 0	1,664	1,569	15	-
Kieran Donoghue	0-5	2.5-5	76	10	50	-
Jeremy Fitch**	50-55 plus a lump sum of 125-130	0-2.5 plus a lump sum of 0-2.5	1,184	1,081	27	-
Peter Harbinson	45-50	2.5-5	934	866	66	-
Steve Harper***	20-25	0-2.5	327	275	23	-
Brian Dolaghan****	50-55	2.5-5	1,070	947	79	-
Donal Durkan****	55-60 plus a lump sum of 100-105	10-12.5 plus a lump sum of 0	1,244	1,098	119	-
Paula Logue	0-5	0-2.5	46	15	23	-
Carolyn McKenna*	-	-	-	590	-	-
Alan McKeown****	10-15	0-2.5	187	145	23	-
Anne Beggs	30-35 plus a lump sum of 70-75	0-2.5 plus a lump sum of 0-2.5	634	617	15	-
Ian Maxwell	30-35	0	627	627	(1)	-
George McKinney	30-35	0	668	682	(1)	-
Iain Joannides	20-25	0-2.5	278	267	2	-

*This individual left Invest NI in September 2023

** These individuals left Invest NI in December 2024

*** This individual left Invest NI in January 2025

**** These individuals left Invest NI in March 2025

Note: The pension benefits of any members affected by the Public Service Pensions Remedy which were reported in 2022-23 based on **alpha** membership for the period between 1 April 2015 and 31 March 2022 have been reported since 2023-24 based on PCSPS(NI) membership for the same period.

Accountability Report - Remuneration and Staff Report

Northern Ireland Civil Service (NICS) Pension Schemes

Pension benefits are provided through the Northern Ireland Civil Service pension schemes which are administered by Civil Service Pensions (CSP).

The **alpha** pension scheme was initially introduced for new entrants from 1 April 2015. The alpha scheme and all previous scheme arrangements are unfunded with the cost of benefits met by monies voted each year. The majority of members of the **Classic, Premium, Classic Plus** and **Nuvos** pension arrangements (collectively known as the Principal Civil Service Pension Scheme (Northern Ireland) [PCSPS(NI)]) also moved to **alpha** from that date. Transitional protection measures introduced alongside these reforms meant any members who on 1 April 2012 were within 10 years of their normal pension age remained in their previous scheme arrangement (full protection) and those who were between 13.5 years and 10 years of their normal pension age were given a choice between moving to **alpha** on 1 April 2015 or at a later date determined by their age (tapered protection).

McCloud Judgement and 2015 Remedy

In 2018, the Court of Appeal found that the transitional protections put in place back in 2015 that allowed older workers to remain in their original scheme, were discriminatory on the basis of age. As a result, steps have been taken by the Department of Finance to remedy this discrimination.

The Department has now made regulations which remedy the discrimination by:

- ensuring all active members are treated equally for future service as members of the reformed alpha scheme only from 1 April 2022, and
- providing each eligible member with options to have their pension entitlements for the period of when the discrimination existed between 1 April 2015 and 31 March 2022 (the Remedy Period) retrospectively calculated under either the current (reformed) scheme rules, or the older (pre-reform) legacy rules which existed before 2015.

This means that all active NICS Pension Scheme members are in the same pension scheme, alpha, from 1 April 2022 onwards, regardless of age. This removes the discrimination going forwards in providing equal pension provision for all scheme members.

The Department is now implementing the second part of the remedy, which addresses the discrimination which was incurred by affected members between 1 April 2015 and 31 March 2022.

Eligible members with relevant service between 1 April 2015 and 31 March 2022 (the Remedy Period) will now be entitled to a choice of alternative pension benefits in relation to that period. i.e. calculated under the pre-reformed PCSPS(NI) 'Classic', 'Premium' or 'Nuvos' rules or alternatively calculated under the reformed alpha rules. As part of this 'retrospective' remedy most active members will now receive a choice about their Remedy Period benefits at the point of retirement. This is known as the Deferred Choice Underpin (DCU). For those members who already have pension benefits in payment in relation to the Remedy Period, they will receive an Immediate Choice. There are a significant number of Immediate Choice Remediable Service Statement (RSS) packs to issue. This process involves complex calculations to provide members with individually tailored statements. Due to the complexity of the calculations and some prolonged work to finalise policy elements of the remedy, not all Immediate Choice packs will issue by 31 March 2025 as originally planned. The legislation for the 2015 Remedy provides discretion which allows the Scheme Manager to extend beyond this date, so it has become necessary to engage this discretion.

At this stage, allowance has not yet been made within CETVs for this remedy. Further information on the remedy will be included in the NICS pension scheme accounts which, once published, are available at [DoF Annual Report and Accounts | Department of Finance \(finance-ni.gov.uk\)](#).

Accountability Report - Remuneration and Staff Report

As part of the remedy involved rolling back all remediable service into the relevant legacy PCSPS(NI) arrangement for the 7-Year Remedy Period, the value of pension benefits for the 2024-25 pension disclosures for affected members continue to be based on the rolled back position.

Alpha is a 'Career Average Revalued Earnings' (CARE) arrangement in which members accrue pension benefits at a percentage rate of annual pensionable earnings throughout the period of scheme membership. The current accrual rate is 2.32%.

From 1 April 2015, all new entrants joining the NICS can choose between membership of alpha or joining a 'money purchase' stakeholder arrangement with a significant employer contribution (Partnership Pension Account).

Information on the PCSPS(NI) – Closed Scheme

Staff in post prior to 30 July 2007 were eligible to be in one of three statutory based 'final salary' legacy defined benefit arrangements (**Classic**, **Premium** and **Classic Plus**). From April 2011, pensions payable under these arrangements have been reviewed annually in line with changes in the cost of living. New entrants who joined on or after 1 October 2002 and before 30 July 2007 will have chosen between membership of **Premium** or joining the Partnership Pension Account.

New entrants who joined on or after 30 July 2007 were eligible for membership of the legacy PCSPS(NI) **Nuvos** arrangement or they could have opted for a Partnership Pension Account. **Nuvos** was also a CARE arrangement in which members accrued pension benefits at a percentage rate of annual pensionable earnings throughout the period of scheme membership. The rate of accrual was 2.3%.

Benefits in **Classic** accrued at the rate of 1/80th of pensionable salary for each year of service. In addition, a lump sum equivalent to three years' pension is payable on retirement. For **Premium**, benefits accrued at the rate of 1/60th of final pensionable earnings for each year of service. Unlike **Classic**, there is no automatic lump sum (but members may give up (commute) some of their pension to provide a lump sum). **Classic Plus** is essentially a variation of **Premium**, but with benefits in respect of service before 1 October 2002 calculated broadly as per **Classic**.

The Partnership Pension Account is a stakeholder pension arrangement. The employer makes a basic contribution of between 8% and 14.75% (depending on the age of the member) into a stakeholder pension product chosen by the employee. The employee does not have to contribute but where they do make contributions, the employer will match these up to a limit of 3% of pensionable salary (in addition to the employer's basic contribution). Employers also contribute a further 0.5% of pensionable salary to cover the cost of centrally-provided risk benefit cover (death in service and ill health retirement).

Active members of the pension scheme will receive an Annual Benefit Statement. The accrued pension quoted is the pension the member is entitled to receive when they reach their scheme pension age, or immediately on ceasing to be an active member of the scheme if they are at or over pension age. The normal scheme pension age in alpha is linked to the member's State Pension Age but cannot be before age 65. The Scheme Pension age is 60 for any pension accrued in the legacy Classic, Premium, and Classic Plus arrangements and 65 for any benefits accrued in Nuvos. Further details about the NICS pension schemes can be found at the website [Civil Service Pensions \(NI\) | Department of Finance \(finance-ni.gov.uk\)](https://www.finance-ni.gov.uk/civil-service-pensions-ni).

All pension benefits are reviewed annually in line with changes in the cost of living. Any applicable increases are applied from April and are determined by the Consumer Prices Index (CPI) figure for the preceding September.

Accountability Report - Remuneration and Staff Report

The CPI in September 2024 was 1.7% and HM Treasury has announced that public service pensions will be increased accordingly from April 2025.

Employee contribution rates for all members for the period covering 1 April 2024 – 31 March 2025 and 1 April 2025 – 30 June 2025 are as follows:

Scheme Year 1 April 2025 to 30 June 2025

Annualised Rate of Pensionable Earnings (Salary Bands) 1 April 2024 – 31 March 2025		Annualised Rate of Pensionable Earnings (Salary Bands) 1 April 2025 – 30 June 2025		Contribution rates - All members
From	To	From	To	
£0	£26,302.49	£0	£27,091.99	4.6%
£26,302.50	£59,849.99	£27,092.00	£61,645.99	5.45%
£59,850.00	£160,964.99	£61,646.00	£165,793.99	7.35%
£160,965.00 and above		£165,794 and above		8.05%

Cash Equivalent Transfer Values

A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which disclosure applies.

The CETV figures, and from 2003-04 the other pension details, include the value of any pension benefit in another scheme or arrangement which the individual has transferred to the NICS pension arrangements. They also include any additional pension benefit accrued to the member as a result of their purchasing additional years of pension service in the scheme at their own cost.

CETVs are calculated in accordance with The Occupational Pension Schemes (Transfer Values) Regulations 1996 (as amended).

HM Treasury provides the assumptions for discount rates for calculating CETVs payable from the public service pension schemes. On 27 April 2023, HM Treasury published guidance on the basis for setting the discount rates for calculating cash equivalent transfer values payable by public service pension schemes. In their guidance of 27 April 2023, HM Treasury advised that, with immediate effect, the discount rate adopted for calculating CETVs should be in line with the new SCAPE discount rate of 1.7% above CPI inflation, superseding the previous SCAPE discount rate of 2.4% above CPI inflation. All else being the same, a lower SCAPE discount rate leads to higher CETVs. The HM Treasury Guidance of 27 April 2023 can be found at [Basis for setting the discount rates for calculating cash equivalent transfer values payable by public service pension schemes - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/guidance/basis-for-setting-the-discount-rates-for-calculating-cash-equivalent-transfer-values-payable-by-public-service-pension-schemes). As at the year-end there have been no further changes to the SCAPE discount rate of 1.7% above CPI inflation since the HM Treasury guidance was published.

Real increase in CETV

This reflects the increase in CETV that is funded by the employer. It does not include the increase in accrued pension due to inflation, contributions paid by the employee (including the value of any benefits transferred from another pension scheme or arrangement) and uses common market valuation factors for the start and end of the period (which therefore disregards the effect of any changes in factors).

Accountability Report - Remuneration and Staff Report

Compensation On Early Retirement Or For Loss Of Office

The following section is subject to audit

Exit packages were paid during the period to 4 members of ExCo/ELT. (2023-24: no compensation for loss of office paid to any member of ELT).

Mel Chittock left under Voluntary Exit terms on 13 December 2024. He received a compensation payment of £200-205k.

Jeremy Fitch left under Voluntary Exit terms on 13 December 2024. He received a compensation payment of £200-205k.

Steve Harper left under Compulsory Exit terms on 31 January 2025. He received a compensation payment of £75-80k.

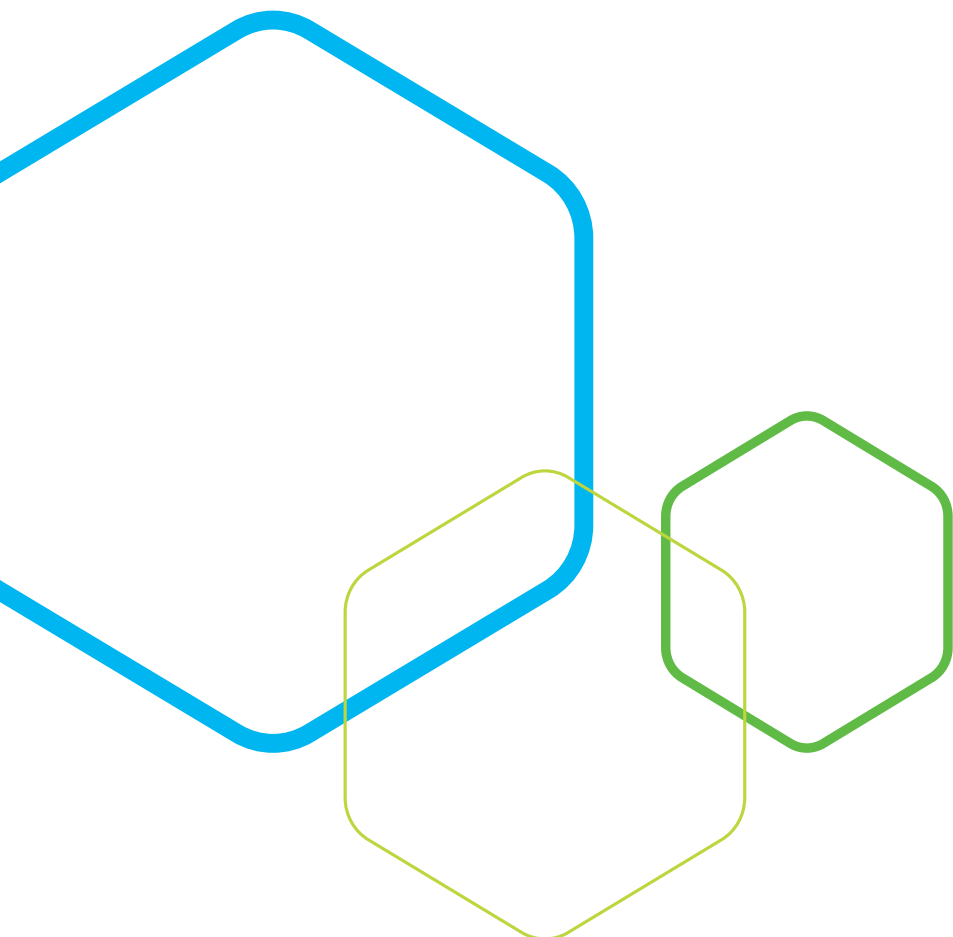
Brian Dolaghan left under Voluntary Exit terms on 13 March 2025. He received a compensation payment of £200-205k.

In 2024-25 no members of ExCo/ELT received compensation in respect of early retirement (2023-24: no members).

Payments to past Directors

The following section is subject to audit

No payments have been made to former directors in either the current or previous year.



Accountability Report - Remuneration and Staff Report

Staff Report

Staff Costs

The following section is subject to audit

	Group				
	Permanently employed staff £'000	Overseas staff £'000	Others* £'000	2024-25 Total £'000	2023-24 Total £'000
Wages and salaries	25,841	6,466	1,626	33,933	33,718
Social security costs	2,930	-	22	2,952	2,749
Other pension costs	8,533	-	20	8,553	7,338
Sub total	37,304	6,466	1,668	45,438	43,805
Less recoveries in respect of outward secondments and others	(100)	-	-	(100)	(317)
Total net costs	37,204	6,466	1,668	45,338	43,488

	Invest NI				
	Permanently employed staff £'000	Overseas staff £'000	Others* £'000	2024-25 Total £'000	2023-24 Total £'000
Wages and salaries	25,841	6,466	1,626	33,933	31,849
Social security costs	2,930	-	22	2,952	2,700
Other pension costs	8,533	-	20	8,553	7,118
Sub total	37,304	6,466	1,668	45,438	41,667
Less recoveries in respect of outward secondments and others	(235)	-	-	(235)	(440)
Total net costs	37,069	6,466	1,668	45,203	41,227

*Others include Board members, temporary staff/external secondees and employees who are engaged on a fixed term contract. Included within wages and salaries above are costs of £1,329,000 (2023-24: £1,379,000) in respect of external secondees and temporary staff.

Accountability Report - Remuneration and Staff Report

Pension Costs

The Northern Ireland Civil Service main pension schemes are unfunded multi-employer defined benefit schemes but Invest NI is unable to identify its share of the underlying assets and liabilities.

The Public Service Pensions Act (NI) 2014 provides the legal framework for regular actuarial valuations of the public service pension schemes to measure the costs of the benefits being provided. These valuations inform the future contribution rates to be paid into the schemes by employers every four years following the scheme valuation. The Act also provides for the establishment of an employer cost cap mechanism to ensure that the costs of the pension schemes remain sustainable in future.

The Government Actuary's Department (GAD) is responsible for carrying out scheme valuations. The Actuary reviews employer contributions every four years following the scheme valuation. The 2020 scheme valuation was completed by GAD in October 2023. The outcome of this valuation was used to set the level of contributions for employers from 1 April 2024 to 31 March 2027.

The Cost Cap Mechanism (CCM) is a measure of scheme costs and determines whether member costs or scheme benefits require adjustment to maintain costs within a set corridor. Reforms were made to the CCM which was applied to the 2020 scheme valuations and included the introduction of a reformed-scheme-only cost control mechanism which assesses just the costs relating to reformed schemes (alpha for the NICS) and introduced an economic check. Prior to the cost control mechanism reforms, legacy scheme (PCSPS(NI)) costs associated with active members were also captured in the mechanism. The reformed-scheme-only design and the economic check were applied to the 2020 scheme valuations for the devolved public sector pension schemes, including the NICS pension scheme. The 2020 scheme valuation outcome was that the core cost cap cost of the scheme lies within the 3% cost cap corridor. As there is no breach of the cost control mechanism, there is no requirement for the Department of Finance to consult on changes to the scheme. Further information can be found on the Department of Finance website <https://www.finance-ni.gov.uk/articles/northern-ireland-civil-service-pension-scheme-valuations>.

For 2024-25, employers' contributions of £8,553,000 were payable to the NICS pension arrangements at a flat rate of 34.25% of pensionable pay, for all salaries (2023-24 £7,118,000 at one of three rates in the range 28.7% to 34.2%).

Employees can opt to open a partnership pension account, a stakeholder pension with an employer contribution. Employers' contributions of £10,406 (2023-24 £9,830) were paid to one or more of the panel of two appointed stakeholder pension providers. Employer contributions are age-related and range from 8% to 14.75% (2023-24, 8% to 14.75%) of pensionable pay.

The partnership pension account offers the member the opportunity of having a 'free' pension. The employer will pay the age-related contribution and if the member does contribute, the employer will pay an additional amount to match member contributions up to 3% of pensionable earnings.

Employer contributions of £631, 0.5% (2023-24 £278, 0.5%) of pensionable pay, were payable to the NICS Pension schemes to cover the cost of the future provision of lump sum benefits on death in service and ill health retirement of these employees. Contributions due to the partnership pension providers at the reporting period date were £nil. Contributions prepaid at that date were £nil.

No employees (2023-24: No employees) retired early on ill-health grounds; the total additional accrued pension liabilities in the year amounted to £nil (2023-24: £nil).

Accountability Report - Remuneration and Staff Report

Average number of persons employed

The following section is subject to audit

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

Group	Permanently employed staff	Others	2024-25 Total	2023-24 Total
Directly employed	554	4	558	533
Temporary staff/external secondees	-	16	16	19
Board members	-	12	12	12
Overseas staff	-	74	74	71
NI-CO staff	-	-	-	17
Total	554	106	660	652

Invest NI	Permanently employed staff	Others	2024-25 Total	2023-24 Total
Directly employed	554	4	558	533
Temporary staff/external secondees	-	16	16	19
Board members	-	12	12	12
Overseas staff	-	74	74	71
Total	554	106	660	635

Note: The following 'Information on people' table is based on total numbers employed and excludes temporary staff, secondees and overseas staff, whereas the average number employed referred to above is based on total FTE.

Information on people	2024-25			2023-24		
	Male	Female	Total	Male	Female	Total
Board members	8	4	12	8	4	12
Senior civil servants (SCS)*	9	7	16	12	7	19
Number of employees (excluding SCS)	255	327	582	261	317	578
Total	272	338	610	281	328	609

*Senior civil servants are defined as a member of staff at Grade 5 or above. The 16 employees referred to above comprise one individual at Grade 1, three individuals at Grade 3 and 12 individuals at Grade 5.

Accountability Report - Remuneration and Staff Report

Staff turnover

Group	2024-25	2023-24
Staff turnover percentage	7.4	9.3
Invest NI	2024-25	2023-24
Staff turnover percentage	7.4	6.0

Employee engagement

A cultural assessment to assess organisational strengths and areas for development, was launched late 2024 and consisted of an engagement survey and set up of focus groups. We attained a response rate of 60% to the survey, with 17% of employees participating in the focus groups, demonstrating strong employee engagement from across the organisation. Recommendations from the assessment which include a focus on leadership, learning & development, talent management, collaboration, and communication, have been developed into an action plan to enhance employee engagement going forward. The cultural assessment has also been used to shape and develop a new set of values that aligns with the organisation's new vision, mission and strategy.

Invest NI continues to enjoy Diversity Mark Accreditation in recognition of our commitment to progress diversity and inclusion in the workplace. Representatives from the LGBTQ+ network and the Professional Women's Network participated in the Staff Conference in November, highlighting the important role they play within the workplace in sharing experiences, providing support, and promoting Invest NI as an inclusive workplace where colleagues feel valued. Following this successful event, our employees were inspired to create two new employee connection groups - the Young Employee Connection Group and the Men's Health & Wellbeing Group.

As noted on page 41, it has been a milestone year for our Employee Connection Groups. The LGBTQ+ group grew from one dedicated member to over 30 members and Invest NI took part in our first ever Pride event as an official organisation. The Professional Women's Network saw a 61% increase in membership, to 98 members. The network spearheaded Invest NI joining Women in Business as a corporate member and hosted several events including coffee roulette, a workshop in confidence building which was introduced by our Chair of the Board, a Christmas craft event and mentoring for 12 of our colleagues. We also celebrated International Women's Day with a workshop on resilience at which Board Member Melanie Dawson, shared her inspiring, challenging and relatable career journey.

The STEM network continued their engagement with schools by attending school events promoting careers in STEM. The Green Scene arranged a beach clean-up, continuing the important work as part of our ESG strategy.

Many of our events also raised vital funds for our Corporate Charity Partner until April 2026, NI Children's Hospice, and we smashed our initial £20,000 target well ahead of schedule, with events such as the Dragon Boat Race, supported by our Sports and Social Committee.

Accountability Report - Remuneration and Staff Report

Off-payroll engagements

There were no off-payroll engagements requiring disclosure. During the year, a number of individuals were engaged by Invest NI via secondment arrangements. In all cases these individuals are on the payroll of their employer and the appropriate income tax and NI obligations are being met by their employing organisation.

Off-payroll and on-payroll engagements of Board members, and/or senior officials with significant financial responsibility, between 1 April 2024 and 31 March 2025:

	Total
No. of off-payroll engagements of Board members, and/or senior officials with significant financial responsibility, during the financial year.	-
Total no. of individuals on-payroll that have been deemed Board members, and/or senior officials with significant financial responsibility, during the financial year.	12

Reporting of Civil Service and other compensation schemes – exit packages

The following section is subject to audit

Exit package cost band	Number of compulsory redundancies	Number of other departures agreed	Total number of exit packages by cost band
<£10,000	-	-	-
£10,000 - £25,000	-	-	-
£25,000 - £50,000	-	-	-
£50,000 - £100,000	1	-	1
£100,000 - £150,000	-	-	-
£150,000 - £200,000	-	-	-
£200,000 - £250,000	-	3	3
Total number of exit packages paid	1	3	4
Total resource cost (£)	78,000	610,000	688,000

Redundancy and other departure costs have been paid in accordance with the provisions of the Civil Service Compensation Scheme (Northern Ireland) (CSCS (NI)), a statutory scheme made under the Superannuation Act 1972. The table above shows the total cost of exit packages agreed and accounted for in 2024-25 (2023-24: no exit packages). £664,700 exit costs were paid in 2024-25, the year of departure.

Consultancy costs and temporary staff

Consultancy costs of £Nil (2023-24: £Nil) were incurred and there was expenditure of £146,000 (2023-24: £236,000) on temporary staff during the year.

Employee-related policies

Invest NI's policy on Equality of Opportunity aims to ensure that no actual or potential job applicant or staff member is discriminated against, either directly or indirectly, on the grounds of gender, marital status, disability, race, community background or political persuasion, age, dependants, sexual orientation, or trade union membership.

The policy is designed to ensure that each person shall have equal opportunity for employment, training, and advancement within Invest NI on the basis of ability, qualifications, and performance.

Accountability Report - Remuneration and Staff Report

Invest NI gives full and fair consideration to employment applications made by disabled persons, having regard to their particular aptitude and abilities, and reasonable adjustments are made to the recruitment process where requested, to accommodate any disability-related needs.

Invest NI is committed to the continuous development of employees and to policies that enable them to best contribute to the performance and long-term effectiveness of the organisation. It ensures that all learning interventions are aligned to the business strategy and organisational values.

It takes appropriate action to facilitate the employment, training, career development and promotion of disabled staff members, including those who have become disabled during the period of their employment with the organisation. It promotes a diverse and inclusive workforce by supporting alterations to the working environment to assist disabled persons, and by offering flexible and personalised working hours and hybrid working arrangements for all staff.

Staff attendance is actively managed, and the organisation's absence rate for the 2024-25 absence year was 2.92%. This figure has decreased from 3.09% in 2023-24 and was 2.94% in 2022-23. The main reasons for sickness absence during the reporting year were mental ill-health, pre-planned surgery, musculoskeletal problems, cough/cold/flu, and injury/fracture. (NI Civil Service's absence rate for 2024-25 will not be published until at least September 2025; their rate for 2023-24 was 6.3%, up on their outturn of 5.7% for 2022-23)⁶.

Learning & Development

As part of our ongoing commitment to employee development and to the provision of a positive work environment, we provide a range of mandatory and optional training opportunities to support professional development, develop technical competence, enhance soft skills, and promote equality and inclusion across the organisation.

Key training provided includes:

- Equality, Diversity and Inclusion (EDI): recruitment and selection training and refresher training is delivered to all members of recruitment panels to ensure they understand and embrace inclusive practices, unconscious bias awareness, and employment legislation. A stand-alone Unconscious Bias training module was recently launched to provide more in-depth support in this subject. Disability, Equality and Dignity Awareness training and refresher training is mandatory for all staff.
- Soft skills development: training was delivered in business report writing, presentation skills, minute taking and time management. Several employees completed a Level 3 Certificate in Coaching Skills, and Carbon awareness training was delivered to 450 employees.
- Leadership and management training: Essential Management Skills was delivered to first time managers and employees at Grades EOII to DP who have management responsibilities.
- Role-specific upskilling: Introduction to Project Management, Excel 1, 2 & 3, CRM Dynamics and Movie-Making training was delivered to support ongoing professional education and support career progression. We also continue to provide the Commercial & Financial Skills Programme which has been further developed to afford participants the opportunity to attain an accredited qualification.

Training and development is tailored to suit a range of learning styles such as classroom-based and online, and e-learning modules provide the flexibility for employees to complete their learning at any time to suit their individual circumstances. Training can also be provided on a one-to-one basis to facilitate disabled persons and can be provided in accessible formats such as using voice over and large text.

⁶ <https://www.nisra.gov.uk/statistics/ni-civil-service-human-resource-statistics/sickness-absence-statistics>

Accountability Report - Remuneration and Staff Report

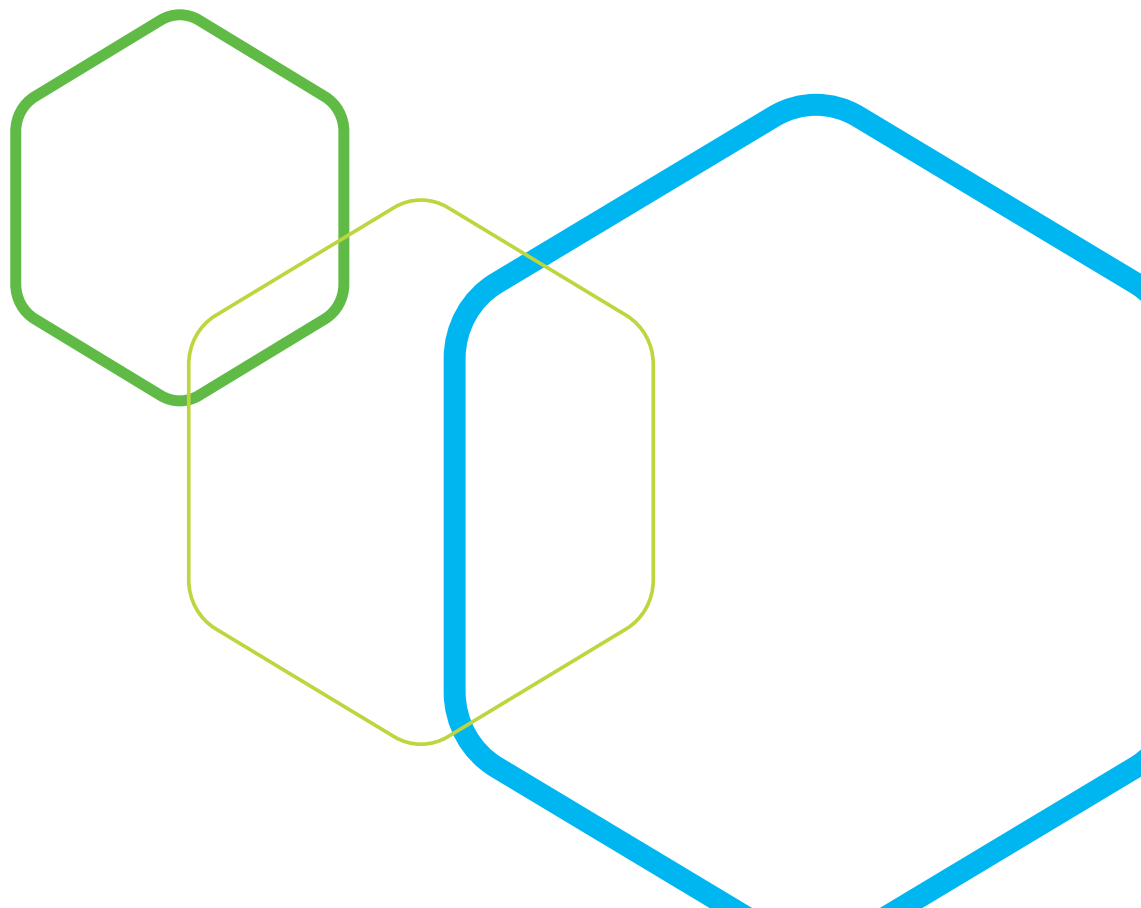
Monthly Client Facing Workshops led by guest speakers and industry experts, equipped client teams with the knowledge to best support clients and innovators across Northern Ireland. Topics included Alternative Funding, Emerging Sectors and Technologies, AI Adoption, Talent Innovation, the Cluster Acceleration Program, and most recently, Defence & Security Accelerator. Additionally, workshops were also delivered in topics such as Good Governance, Changes to De Minimis, and Productivity.

Along with offering internal workshops and courses, Invest NI staff can also attend external events or conferences in order to keep their knowledge up to date. In addition, the Further Education Scheme assists Invest NI staff to undertake formal courses of academic/vocational study related to their work and leading to recognised qualifications, which will contribute to improving the performance of the individual and Invest NI.

Employee Health & Wellbeing

Invest NI recognises the benefit to both employees and the organisation of ensuring employees have the right support to enable them to reach their full potential. We provide a range of support and interventions including occupational health, Employee Assistance Programme, Mental Health First Aiders, e-learning modules such as mental health awareness, health assessments, and signpost to additional support where relevant such as bereavement counselling. Our HR Policies also provide support and information such as our Menopause Policy, Parental Bereavement Leave, and we organise wellbeing initiatives to promote specific themes such as stress awareness.

Employees are actively involved in all relevant matters, and communication and consultation are conducted both directly and through the recognised Trade Union (NIPSA).



Accountability Report - Assembly Accountability and Audit Report

The Assembly Accountability and Audit Report brings together the key Assembly accountability documents with the annual report and accounts.

Losses and special payments

The following sections are subject to audit

Losses

Invest NI is required by MPMNI to disclose losses and related information, including any waiver of Invest NI's entitlement to income and write off. Details are as follows:

Waiver / Write off	Group and Invest NI					
	2025	2025	2025	2024	2024	2024
	Losses £'000	No. of cases >£300k*	No. of cases <£300k	Losses £'000	No. of cases >£300k*	No. of cases <£300k
Grants recoverable	1,676	2	101	925	1	20
Others including investments and accrued income	513	0	6	1,743	2	8

* Invest NI supports companies via grants, loan and share investments. If an event occurs that results in the investment being irrecoverable or the grant requiring clawback, a loss can occur. These events include, for example, abandonment of project supported or company failure. The 2 cases noted over £300,000 related to 1 case of recoverable grant and 1 case including both a loan & recoverable grant, following the failure of the respective companies.

Included within the 101 cases less than £300,000, are 84 cases totalling £846,000 in respect of the COVID emergency schemes that were accounted for by Invest NI but operated and administered by LPS/DfE.

All the waiver or write off cases were either approved by Invest NI in accordance with internal delegated limits, or by DfE or DoF as required.

At the year-end there are 20 cases of potential losses totalling £3,619,000 (2023-24: 21 cases totalling £2,625,000) that are under management review. Of these cases £1,801,000 were reported in previous years; £1,818,000 were new cases in 2024-25.

All cases that have been written off during the year have been reported to DfE. The potential loss cases that will require further approval have also been notified to DfE and the review process is on-going. All of these cases have been fully provided for so will have no future impact on the accounts.

Special payments

There were no special payments greater than £300,000 in the current or previous year. Special payments are defined in Managing Public Money (Northern Ireland).

Accountability Report - Assembly Accountability and Audit Report

Fees and charges

This section is subject to audit

There are no fees and charges that require disclosure.

Remote Contingent Liabilities

This section is subject to audit

There are no remote contingent liabilities that require disclosure.



Kieran Donoghue
Accounting Officer

Date: 02 October 2025



INVEST NORTHERN IRELAND

THE CERTIFICATE OF THE COMPTROLLER AND AUDITOR GENERAL TO THE NORTHERN IRELAND ASSEMBLY

Opinion on financial statements

I certify that I have audited the financial statements of Invest Northern Ireland and its group for the year ended 31 March 2025 under the Industrial Development Act (Northern Ireland) 2002. The financial statements comprise: the Group and Parent Statements of Comprehensive Net Expenditure, Financial Position, Cash Flows, Changes in Taxpayers' Equity; and the related notes, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and UK adopted international accounting standards as interpreted and adapted by the Government Financial Reporting Manual.

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

In my opinion the financial statements:

- give a true and fair view of the state of the group's and of Invest Northern Ireland's affairs as at 31 March 2025 and of the group's and Invest Northern Ireland's net expenditure for the year then ended; and
- have been properly prepared in accordance with the Industrial Development Act (Northern Ireland) 2002 and Department for the Economy directions issued thereunder.

Opinion on regularity

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

Basis of opinions

I conducted my audit in accordance with International Standards on Auditing (ISAs) (UK), applicable law and Practice Note 10 'Audit of Financial Statements and Regularity of Public Sector Bodies in the United Kingdom'. My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of my certificate.

My staff and I are independent of Invest Northern Ireland in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK, including the Financial Reporting Council's Ethical Standard, and have fulfilled our other ethical responsibilities in accordance with these requirements.

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

Conclusions relating to going concern

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

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on Invest Northern Ireland's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

INVEST NORTHERN IRELAND

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

Other Information

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

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

I have nothing to report in this regard.

Opinion on other matters

In my opinion, based on the work undertaken in the course of the audit:

- the parts of the Accountability Report to be audited have been properly prepared in accordance with Department for the Economy directions made under the Industrial Development Act (Northern Ireland) 2002; and
- the information given in the Performance Report and Accountability Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which I report by exception

In light of the knowledge and understanding of Invest Northern Ireland and its environment obtained in the course of the audit, I have not identified material misstatements in the Performance Report and Accountability Report.

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

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

Responsibilities of the Accounting Officer for the financial statements

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

- the preparation of the financial statements in accordance with the applicable financial reporting framework and for being satisfied that they give a true and fair view;
- ensuring such internal controls are in place as deemed necessary to enable the preparation of financial statements to be free from material misstatement, whether due to fraud or error;
- ensuring the annual report, which includes the Remuneration and Staff Report is prepared in accordance with the applicable financial reporting framework; and

INVEST NORTHERN IRELAND

- assessing Invest Northern Ireland's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Accounting Officer anticipates that the services provided by Invest Northern Ireland will not continue to be provided in the future.

Auditor's responsibilities for the audit of the financial statements

My responsibility is to examine, certify and report on the financial statements in accordance with the Industrial Development Act (Northern Ireland) 2002.

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

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

My procedures included:

- obtaining an understanding of the legal and regulatory framework applicable to Invest Northern Ireland through discussion with management and application of extensive public sector accountability knowledge. The key laws and regulations I considered included the Industrial Development Act (Northern Ireland) 2002, the Financial Assistance Act (Northern Ireland) 2009, health and safety legislation and relevant tax laws;
- making enquires of management and those charged with governance on Invest Northern Ireland's compliance with laws and regulations;
- making enquiries of internal audit, management and those charged with governance as to susceptibility to irregularity and fraud, their assessment of the risk of material misstatement due to fraud and irregularity, and their knowledge of actual, suspected and alleged fraud and irregularity;
- completing risk assessment procedures to assess the susceptibility of Invest Northern Ireland's financial statements to material misstatement, including how fraud might occur. This included, but was not limited to, an engagement director led engagement team discussion on fraud to identify particular areas, transaction streams and business practices that may be susceptible to material misstatement due to fraud. As part of this discussion, I identified potential for fraud in the following areas: expenditure on grant schemes and posting of unusual journals;
- engagement director oversight to ensure the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with the applicable legal and regulatory framework throughout the audit;
- communicating with component auditors to request identification of any instances of non-compliance with laws and regulations that could give rise to a material misstatement of the group financial statements;
- designing audit procedures to address specific laws and regulations which the engagement team considered to have a direct material effect on the financial statements in terms of misstatement and irregularity, including fraud. These audit procedures included, but were not limited to, reading board and committee minutes, reviewing legislation, performing substantive testing on grant awards, carrying out data analytics on grant applicants, and agreeing financial statement disclosures to underlying supporting documentation and approvals as appropriate;
- addressing the risk of fraud as a result of management override of controls by:
 - o performing analytical procedures to identify unusual or unexpected relationships or movements;

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- o testing journal entries to identify potential anomalies, and inappropriate or unauthorised adjustments;
- o assessing whether judgements and other assumptions made in determining accounting estimates were indicative of potential bias; and
- o investigating significant or unusual transactions made outside of the normal course of business; and
- applying tailored risk factors to datasets of financial transactions and related records to identify potential anomalies and irregularities for detailed audit testing.

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

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

Report

I have no observations to make on these financial statements.



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

03 October 2025



Consolidated Statement of Comprehensive Net Expenditure

For the year ended 31 March 2025

	Note	2025 £'000	2024 £'000
Revenue from contracts with customers	5	1,308	1,970
Other operating income	5	2,737	8,612
Total Operating income	5	4,045	10,582
Staff Costs	3	(45,338)	(41,349)
Purchase of goods and services	3	(23,230)	(23,125)
Depreciation and impairment charges	3	(4,350)	(8,820)
(Increase)/Decrease in Provisions	3	(2,096)	6,690
Other Operating Expenditure	3	(30,156)	(45,009)
Total operating expenditure		(105,170)	(111,613)
Net operating expenditure		(101,125)	(101,031)
Finance income		682	591
Finance expense		(882)	(893)
Net expenditure for the year before taxation		(101,325)	(101,333)
Tax	6(i)	(95)	(1,035)
Net expenditure for the year after taxation from continuing operations		(101,420)	(102,368)
Discontinued operations	24	(1,118)	(1,111)
Total net expenditure for the year after taxation		(102,538)	(103,479)

Other Comprehensive Net Expenditure

Items that will not be reclassified to net operating expenditure:			
Net gain on revaluation of property, plant and equipment	6(iii)	1,137	3,084
Net gain on revaluation of deferred tax	6(iii)	-	32
Net gain on revaluation of intangible assets	9	138	93
Total Comprehensive Net Expenditure for the year ended 31 March 2025		(101,263)	(100,270)

Notes 1 to 27 on pages 92 to 153 form part of these accounts.

Statement of Comprehensive Net Expenditure – Invest NI

For the year ended 31 March 2025

	Note	2025 £'000	2024 £'000
Revenue from contracts with customers	5	900	1,557
Other operating income	5	2,184	8,103
Total Operating income	5	3,084	9,660
Staff Costs	3	(45,203)	(41,227)
Purchase of goods and services	3	(21,854)	(21,925)
Depreciation and impairment charges	3	(8,839)	(8,101)
Decrease/(Increase) in Provisions	3	(2,096)	6,690
Other Operating Expenditure	3	(30,156)	(45,009)
Total operating expenditure		(108,148)	(109,572)
Net operating expenditure		(105,064)	(99,912)
Finance income		-	-
Finance expense		-	-
Net expenditure for the year before taxation		(105,064)	(99,912)
Tax	6(i)	-	-
Net expenditure for the year after taxation		(105,064)	(99,912)

Other Comprehensive Net Expenditure

Items that will not be reclassified to net operating expenditure:			
Net gain on revaluation of property, plant and equipment	7	665	2,918
Net gain on revaluation of intangible assets	9	138	93
Total Comprehensive Net Expenditure for the year ended 31 March 2025		(104,261)	(96,901)

All activities derive from continuing operations.

Notes **1 to 27** on pages 92 to 153 form part of these accounts.

Consolidated Statement of Financial Position

As at 31 March 2025

	Note	2025 £'000	2024 £'000
Non-current assets			
Property, plant and equipment	7	65,901	65,479
Investment properties	8	7,600	7,600
Intangible assets	9	11,677	12,107
Right-of-use assets	21	1,988	2,627
Investments in associates	11	72,595	75,449
Financial assets	12	62,156	46,785
Trade and other receivables	13	568	919
Total non-current assets		222,485	210,966
Current assets			
Trade and other receivables	13	13,211	15,962
Cash and cash equivalents	14	30,290	28,623
Assets classified as held for sale	15	143	1,300
Total current assets		43,644	45,885
Total assets		266,129	256,851
Current liabilities			
Trade and other payables	16	(25,185)	(24,424)
Lease liability	21	(682)	(716)
Borrowings	17	(638)	(420)
Current Tax		-	(600)
Provisions	18	(14,679)	(14,467)
Total current liabilities		(41,184)	(40,627)
Total assets less current liabilities		224,945	216,224
Non-current liabilities			
Borrowings	17	(13,040)	(13,671)
Derivative financial instruments	20	(626)	(902)
Deferred tax liability	6(iii)	(2,251)	(2,276)
Leases liability	21	(1,433)	(2,073)
Total non-current liabilities		(17,350)	(18,922)
Total assets less total liabilities		207,595	197,302
Taxpayers' equity and other reserves			
Revaluation reserve		26,515	25,756
General reserve		181,080	171,546
Total equity		207,595	197,302

Notes 1 to 27 on pages 92 to 153 form part of these accounts.

The financial statements on pages 85 to 153 were approved by the Board on 02 October 2025 and signed on its behalf.



Kieran Donoghue
Accounting Officer

Date: 2 October 2025

Statement of Financial Position – Invest NI

As at 31 March 2025

	Note	2025 £'000	2024 £'000
Non-current assets			
Property, plant and equipment	7	39,605	39,225
Intangible assets	9	1,747	2,177
Right-of-use assets	21	30,414	35,505
Investments in subsidiaries	10	17,393	17,593
Investments in associates	11	72,595	75,449
Financial assets	12	62,156	46,785
Trade and other receivables	13	568	919
Total non-current assets		224,478	217,653
Current assets			
Trade and other receivables	13	12,584	15,589
Cash and cash equivalents	14	2,493	899
Assets classified as held for sale	15	143	-
Total current assets		15,220	16,488
Total assets		239,698	234,141
Current liabilities			
Trade and other payables	16	(25,282)	(24,082)
Provisions	18	(14,679)	(12,583)
Lease liabilities	21	(5,732)	(5,622)
Total current liabilities		(45,693)	(42,287)
Total assets less current liabilities		194,005	191,854
Non-current liabilities			
Lease liabilities	21	(25,201)	(30,345)
Total assets less total liabilities		168,804	161,509
Taxpayers' equity and other reserves			
Revaluation reserve		19,241	18,638
General reserve		149,563	142,871
Total equity		168,804	161,509

Notes 1 to 27 on pages 92 to 153 form part of these accounts.

The financial statements on pages 85 to 153 were approved by the Board on 02 October 2025 and signed on its behalf.



Kieran Donoghue
Accounting Officer

Date: 2 October 2025

Consolidated Statement of Cash Flows

Year ended 31 March 2025

	Note	2025 £'000	2025 £'000	2024 £'000	2024 £'000
Cash flows from operating activities					
Net expenditure after interest before taxation from continuing operations			(101,325)		(101,333)
Net expenditure from discontinued operations before taxation	24		(1,118)		(1,142)
Adjustments for non-cash transactions	19	8,708		20,432	
Finance costs		882		893	
Finance income		(682)		(592)	
Decrease in trade and other receivables		1,712		22,495	
Increase/(Decrease) in trade and other payables		1,697		(13,795)	
Use of provisions		(12,060)		(16,986)	
			257		12,447
Net cash (outflow) from operating activities			(102,186)		(90,028)
Cash flows from investing activities					
Purchase of property, plant and equipment		(1,726)		(2,068)	
Purchase of intangible assets		(1,230)		(1,077)	
Proceeds of disposal of property, plant and equipment		2,117		10,003	
Repayments from other bodies		9,323		4,698	
Investment in associates		(8,352)		(11,455)	
Investment in financial assets		(2,261)		(3,185)	
Loan interest and dividends received		798		576	
Interest paid		(863)		(883)	
Corporation tax (paid)/received		(1,316)		(846)	
Net cash (outflow) from investing activities			(3,510)		(4,237)
Cash flows from financing activities					
Grants from sponsoring department		111,282		94,282	
Consolidated fund payments to DfE		(989)		(161)	
Repayment of borrowings		(432)		(371)	
Payments made to lease liabilities		(725)		(631)	
Net financing			109,136		93,119
Net (decrease)/increase in cash and cash equivalents in the year			3,440		(1,146)
Cash and cash equivalents at the beginning of the year			28,623		29,769
Less deconsolidation of subsidiary cash	24		(1,773)		-
Cash and cash equivalents at the end of the year	14		30,290		28,623

Notes 1 to 27 on pages 92 to 153 form part of these accounts.

Consolidated Statement of Changes in Taxpayers' Equity

Year ended 31 March 2025

	General reserve	Revaluation reserve	Taxpayers' Equity Restated
	£'000	£'000	£'000
Balance at 31 March 2023	178,300	24,817	203,117
Changes in Taxpayers' Equity for 2023-24			
Other reserves movements including transfers	2,270	(2,270)	-
Comprehensive Net Expenditure for the Year	(103,479)	3,209	(100,270)
Grants from sponsoring department:			
Cash	94,282	-	94,282
Notional	(198)	-	(198)
Reversal of notional costs	371	-	371
Balance at 31 March 2024	171,546	25,756	197,302
Changes in Taxpayers' Equity for 2024-25			
Other reserves movements including transfers	516	(516)	-
Comprehensive Net Expenditure for the Year	(102,538)	1,275	(101,263)
Grants from sponsoring department:			
Cash	111,282	-	111,282
Notional	(106)	-	(106)
Reversal of notional costs	380	-	380
Balance at 31 March 2025	181,080	26,515	207,595

Notes 1 to 27 on pages 92 to 153 form part of these accounts.

Statement of Changes in Taxpayers' Equity – Invest NI

Year ended 31 March 2025

	General reserve £'000	Revaluation reserve £'000	Taxpayers' Equity Restated £'000
Balance at 31 March 2023	146,058	17,897	163,955
Changes in Taxpayers' Equity for 2023-24			
Other reserves movements including transfers	2,270	(2,270)	-
Comprehensive Net Expenditure for the Year	(99,912)	3,011	(96,901)
Grants from sponsoring department:			
Cash	94,282	-	94,282
Notional	(198)	-	(198)
Reversal of notional costs	371	-	371
Balance at 31 March 2024	142,871	18,638	161,509
Changes in Taxpayers' Equity for 2024-25			
Other reserves movements including transfers	200	(200)	-
Comprehensive Net Expenditure for the Year	(105,064)	803	(104,261)
Grants from sponsoring department:			
Cash	111,282	-	111,282
Notional	(106)	-	(106)
Reversal of notional costs	380	-	380
Balance at 31 March 2025	149,563	19,241	168,804

Notes **1 to 27** on pages 92 to 153 form part of these accounts.

Notes to the Accounts

Year ended 31 March 2025

1. ACCOUNTING POLICIES

Statement of accounting policies

The financial statements of Invest NI have been prepared in compliance with paragraph 17 (2) of Schedule 1 to the Industrial Development Act (Northern Ireland) 2002 in a form directed by DfE, and in accordance with the 2024-25 *Government Financial Reporting Manual (FReM)* issued by DoF. The accounting policies contained in the *FReM* apply International Financial Reporting Standards (IFRS) as adapted or interpreted for the public sector context.

Where the *FReM* permits a choice of accounting policy, the accounting policy that is judged to be most appropriate to the particular circumstances of the organisation, for the purpose of giving a true and fair view, has been selected.

The particular accounting policies adopted by Invest NI are described below. They have been applied consistently to all years presented, in dealing with items considered material in relation to the financial statements.

The financial statements are presented in Sterling (£) with all values rounded to the nearest £1,000 except where otherwise stated.

Accounting conventions

These financial statements are prepared under the historical cost convention, modified to account for the revaluation of property, plant and equipment, investment property, intangible assets and derivative financial instruments which are held at their fair value.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

In the current year, the group has applied the following new standards:

- Implementation of IFRS S1, General requirements for Disclosure of sustainability-related financial information.
- Implementation of IFRS S2, Climate-related disclosures
- Amendment to IFRS 7, Supplier finance arrangements (May 2023)
- Amendment to IFRS 16, Clarification on how a seller-lessee subsequently measures sale and leaseback transactions (September 2022)
- Amendment to IAS 1, Classification of debt with covenants (October 2022)
- Amendment to IAS 7, Supplier finance arrangements (May 2023)

Notes to the Accounts

Year ended 31 March 2025

1. ACCOUNTING POLICIES (CONTINUED)

Adoption of new and revised standards

During the year, the IASB and IFRIC have issued accounting standards and interpretations with an effective date after the date of these financial statements (i.e. applicable to accounting periods beginning on or after the effective date).

- Amendment to IFRS 1, First-time Adoption of International Financial Reporting Standards (July 2024)
- Amendment to IFRS 1, Annual Improvements to IFRS Accounting Standards (January 2026)
- Amendment to IFRS 7, Classification and measurement of financial instruments (May 2024)
- Amendment to IFRS 7, Annual Improvements to IFRS Accounting Standards (January 2026)
- Amendment to IFRS' 7 and 9, Nature Dependent Electricity Contracts (January 2026)
- Amendment to IFRS 9, Classification and measurement of financial instruments (January 2026)
- Amendment to IFRS 9, Annual Improvements to IFRS Accounting Standards (January 2026)
- Amendment to IFRS 10, Annual Improvements to IFRS Accounting Standards (January 2026)
- Amendment to IFRS 18, Presentation and Disclosures in Financial Statements (April 2024)
- Amendment to IFRS 19, Subsidiaries without Public Accountability (April 2024)
- Amendment to IAS 7, Annual Improvements to IFRS Accounting Standards (January 2026)
- Amendments to IAS 21, Lack of Exchangeability (January 2026)
- IFRS 17, Insurance contracts (April 2025)

Management do not anticipate that the adoption of the above amendments will have a material impact on the group's financial statements in the period of initial application.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of Invest NI and the entities controlled by Invest NI (its subsidiaries) made up to 31 March each year. Control is achieved where Invest NI has the power to govern the financial and operating policies of an investee entity.

Where material, adjustments are made to the financial statements of the subsidiaries to bring the accounting policies used into line with those used by the group. All intra-group transactions, balances, income and expenditure are eliminated on consolidation.

Property, plant and equipment

Expenditure on property, plant and equipment of £1,000 or more is capitalised. On initial recognition, assets are measured at cost including any costs directly attributable to bringing them into working condition. All property, plant and equipment is reviewed annually for impairment and is carried at fair value. Land and buildings are stated at their fair value based on annual professional valuation as at the end of the financial year.

Other non-property assets are deemed to be short-life or low value assets and are therefore valued on the basis of depreciated replacement cost, using appropriate indices to account for the effects of inflation, as an approximation of fair value. Additions and subsequent expenditure are capitalised only when it is probable that the future economic benefits associated with the asset will flow to Invest NI and the cost of the asset can be measured reliably.

Notes to the Accounts

Year ended 31 March 2025

1. ACCOUNTING POLICIES (CONTINUED)

Invest NI uses Producer Price Indices published by the Office for National Statistics (ONS) in order to apply indexation to the value of non-property assets at year-end. In line with previous years, the December indices have been applied in 2024-25. Ordinarily, an assessment is carried out after the year-end, following the publication of the March indices by ONS, to ascertain that the impact of the movement in the indices between December and March is immaterial. However, in March 2025, ONS issued a statement indicating that they had identified a problem with the chain-linking methods used to calculate these indices, affecting the years from 2008 onwards, and that they would consequently be pausing publication of Producer Price Index data while the issue is rectified. At the time these accounts are being prepared, it has not been possible to ascertain the potential impact of this issue. However, given the value of the non-property assets potentially affected, Invest NI does not expect an adjustment to indexation to have a material impact on the 2024-25 accounts. It is anticipated that ONS will recommence publication of the Producer Price Indices at some point during the 2025-26 financial year and the indexation of non-property assets will be brought up to date in the 2025-26 accounts.

Depreciation

Freehold land is not depreciated. For other assets, depreciation is provided on a straight line basis in order to write-off the valuation, less estimated residual value, of each asset over its expected useful life, or lease period if shorter. The base useful lives of assets, which are reviewed regularly, are as follows:

Freehold buildings	50 years
Fixtures and fittings	10 years
Computer equipment	3-5 years

Leasehold alterations are depreciated over the remaining period of the associated lease or 10 years, whichever is shorter.

Revaluation of land and buildings

Land and buildings are revalued every year with the surplus or deficit on book value being transferred to the Revaluation reserve. The only exception is where a deficit in excess of any previously recognised surplus over depreciated cost relating to the same property, is charged to Net Expenditure.

On disposal of an asset that has been previously revalued, the gain or loss recorded in Net Expenditure is based on the net carrying amount rather than the historical cost. Any previously revalued amounts are realised and transferred to the General reserve account as a reserve movement.

Investment properties

Properties that are held for long term rental yield, for capital appreciation or both, and that are not occupied by group companies, are classified as investment properties. Investment properties are measured initially at cost, including related transaction costs. After initial recognition, investment properties are carried at fair value. The fair value of investment properties reflects, among other things, rental income from current leases and assumptions about rental income from future leases in the light of current market conditions. Changes in fair values are recorded in Net Expenditure.

Notes to the Accounts

Year ended 31 March 2025

1. ACCOUNTING POLICIES (CONTINUED)

Assets held for sale

Assets classified as held for sale are measured at the lower of carrying amount and fair value less costs to sell. Assets are classified as held for sale if their carrying amount will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset is available for immediate sale in its present condition. Management must be committed to the sale and it should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Intangible assets

Goodwill

Goodwill arises on the acquisition of subsidiaries and represents the excess of the consideration transferred over Invest NI's interest in net fair value of the net identifiable assets, liabilities and contingent liabilities of the acquiree and the fair value of any non-controlling interest in the acquiree.

Acquired intangible assets

Acquired intangible assets, such as software and software licences for internal recording and reporting systems, are measured initially at cost, using appropriate indices to account for the effect of inflation, as an approximation of fair value. These assets are amortised on a straight line basis over their estimated useful lives of 3 to 5 years. The minimum level of capitalisation is £1,000.

Internally-generated intangible assets

Development expenditure incurred on an individual project is carried forward only if all the criteria set out in IAS 38 'Intangible Assets' are met, namely:

- an asset is created that can be identified (such as software or licences);
- it is probable that the asset created will generate future economic benefits; and
- the development cost of the asset can be measured reliably.

Following initial recognition of development expenditure, the cost, adjusted for inflation using appropriate indices, is amortised over the project's estimated useful life of 3 to 6 years. The minimum level of capitalisation is £1,000.

Impairment of tangible and intangible assets

At each reporting date, Invest NI reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). The recoverable amount is the higher of fair value less costs to sell, and value in use. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately. Any impairment recognised on goodwill is not subsequently reversed.

Financial instruments

Financial assets and liabilities are recognised in Invest NI's Statement of Financial Position when Invest NI becomes a party to the contractual provision of the instrument.

Notes to the Accounts

Year ended 31 March 2025

1. ACCOUNTING POLICIES (CONTINUED)

Financial assets

All financial assets are recognised and derecognised on a trade date where the purchase or sale of a financial asset is under a contract whose terms require delivery of the financial asset within the timeframe established by the market concerned, and are initially measured at fair value, plus transaction costs, except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value.

(i) Classification

The group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through Other Comprehensive Income (OCI) or through profit or loss), and
- those to be measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. For investments in equity instruments that are not held for trading, this will depend on whether the group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVOCI).

The group reclassifies debt investments when and only when its business model for managing those assets changes.

(ii) Recognition and derecognition

Purchases and sales of financial assets are recognised on trade-date, the date on which the group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the group has transferred substantially all the risks and rewards of ownership. Assets can only be written off when non-recovery is considered certain and after the appropriate approvals have been granted.

(iii) Measurement

At initial recognition, the group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in Net Expenditure.

For debt instruments, the subsequent measurement depends on the group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the group classifies its debt instruments:

- Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in Other operating income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in Net Expenditure and presented in other gains/ (losses) together with foreign exchange gains and losses. Impairment losses are included within the financial instruments gains or losses heading in the Statement of Comprehensive Net Expenditure.

Notes to the Accounts

Year ended 31 March 2025

1. ACCOUNTING POLICIES (CONTINUED)

- **FVOCI:** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses that are recognised in Net Expenditure. Interest income from these financial assets is included in Other operating income using the effective interest rate method. Foreign exchange gains and losses are presented in Other gains/ (losses) and impairment expenses are included within the financial instruments gains or losses heading in the Statement of Comprehensive Net Expenditure.
- **FVPL:** Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in Net Expenditure and presented net within Other gains/ (losses) in the period in which it arises.

Derivative financial instruments

The group enters into derivative financial instruments to manage its exposure to interest rate risk using interest rate swaps.

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently re-measured to their fair value at each financial year end. The resulting gain or loss is recognised in Net Expenditure immediately unless the derivative is designated and effective as a hedging instrument.

A derivative with a positive fair value is recognised as a financial asset whereas a derivative with a negative fair value is recognised as a financial liability. A derivative is presented as a non-current asset or a non-current liability if the remaining maturity of the instrument is more than 12 months and it is not expected to be realised or settled within 12 months. Other derivatives are presented as current assets or current liabilities.

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2. The group's derivative financial instrument is valued under level 2 in the fair value hierarchy. The fair value of the group's derivative financial instruments is obtained from counterparty valuation, and is based on observable market data.

Impairment of financial assets

The group recognises a loss allowance for expected credit losses on debt instruments that are measured at amortised cost, trade and other receivables. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument. The group always recognises lifetime Expected Credit Loss (ECL) for trade receivables. The expected credit losses on these financial assets are estimated using a provision matrix based on the group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date.

For all other financial instruments, the group recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, the group measures the loss allowance for that financial instrument at an amount equal to 12-month ECL.

Notes to the Accounts

Year ended 31 March 2025

1. ACCOUNTING POLICIES (CONTINUED)

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

(i) Significant increase in credit risk

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the group compares the risk of a default occurring on the financial instrument at the reporting date with the risk of a default occurring on the financial instrument at the date of initial recognition. In making this assessment, the group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort. Forward-looking information considered includes the future prospects of the industries in which the group's debtors operate.

(ii) Definition of default

The group considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that financial assets that meet either of the following criteria are generally not recoverable:

- when there is a breach of financial covenants by the debtor; or
- information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the group, in full (without taking into account any collateral held by the group).

Irrespective of the above analysis, the group considers that default has occurred when a financial asset is more than 180 days past due unless the group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

(iii) Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

- (a) significant financial difficulty of the issuer or the borrower;
- (b) a breach of contract, such as a default or past due event (see (ii) above);
- (c) the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;
- (d) it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
- (e) the disappearance of an active market for that financial asset because of financial difficulties.

(iv) Write-off policy

The group writes off a financial asset only when non-recovery is considered certain and after the appropriate approvals have been granted.

(v) Measurement and recognition of expected credit losses

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information as described above. For financial assets, the exposure at default is represented by the assets' gross carrying amount at the reporting date.

Notes to the Accounts

Year ended 31 March 2025

1. ACCOUNTING POLICIES (CONTINUED)

For financial assets, the expected credit loss is estimated as the difference between all contractual cash flows that are due to the group in accordance with the contract and all the cash flows that the group expects to receive, discounted at the original effective interest rate.

If the group has measured the loss allowance for a financial instrument at an amount equal to lifetime ECL in the previous reporting period, but determines at the current reporting date that the conditions for lifetime ECL are no longer met, the group measures the loss allowance at an amount equal to 12-month ECL at the current reporting date, except for assets for which the simplified approach was used.

The group recognises an impairment gain or loss in Net Expenditure for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account.

Financial liabilities

The group classifies all its financial liabilities as other financial liabilities. Other financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs. Other financial liabilities are subsequently measured at amortised cost using the effective interest rate method, with interest expense recognised on an effective yield basis.

The group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or they expire.

Effective interest rate method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition. Income is recognised on an effective interest rate basis.

Interest income

Interest income is recognised using the effective interest method for debt instruments measured subsequently at amortised cost. Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired. For financial assets that have subsequently become credit-impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset. If, in subsequent reporting periods, the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset.

Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. The group always measures the loss allowance for trade receivables at an amount equal to lifetime ECL. The expected credit losses on trade receivables is estimated using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of conditions at the reporting date.

Notes to the Accounts

Year ended 31 March 2025

1. ACCOUNTING POLICIES (CONTINUED)

Cash and cash equivalents

Cash and cash equivalents comprises cash and demand deposits with commercial banks. As at each reporting date, the carrying value of Cash and cash equivalents approximates their fair value due to their short-term nature.

Trade payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities.

Borrowings

Borrowings are recognised initially at fair value, net of direct issue costs and subsequently measured at amortised cost. Finance charges, including premiums payable on settlement or redemption and direct issue costs, are accounted for on an accruals basis in the income statement using the effective interest rate method and are added to the carrying amount of the instrument to the extent that they are not settled in the period in which they arise.

Borrowings are classified as current liabilities unless the entity has an unconditional right to defer settlement of the liability for at least twelve months after the year-end.

Borrowing costs directly attributable to qualifying assets are added to the cost of those assets until such time as the assets are substantially ready for their intended use. All other borrowing costs are recognised in the Statement of Comprehensive Net Expenditure in the period in which they are incurred.

Investments in subsidiaries

Investments in subsidiaries are valued at cost less impairment and are eliminated on consolidation.

Investments in associates

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

Investments in associates are valued using the equity method, carried at Invest NI's share of the net assets of the associate, in accordance with the distribution of income and capital laid out in the limited partnership agreements. Any significant restriction due to contractual arrangements will be accounted for using this method and will be reflected in the carrying value.

Taxation (including Value Added Tax)

As Invest NI does not have Crown exemption it is liable to Corporation Tax on certain sources of income earned in any year.

Revenues, expenses and assets are shown net of Value Added Tax (VAT) except where irrecoverable VAT is charged to Net Expenditure and included under the heading relevant to the type of expenditure.

The net amount of VAT recoverable from, or payable to, HMRC is included as part of receivables or payables in the Statement of Financial Position.

Notes to the Accounts

Year ended 31 March 2025

1. ACCOUNTING POLICIES (CONTINUED)

Provisions

Invest NI makes provisions for liabilities and charges where, at the year-end, a legal or constructive obligation exists (that is a present obligation from past events exists), where it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reasonable estimate can be made of the amount of the obligation. Where the time value of money is material and it is possible to predict the timing of future cash flows with reasonable accuracy, Invest NI discounts the provision to its present value using a standard Government discount rate.

Financing from DfE

Financing represents net funding received from DfE and is credited to the General reserve.

Foreign currency translation

The functional and presentational currency of the organisation is Sterling (£). Foreign currency transactions are translated into the functional currency at the rates of exchange prevailing on the dates of the transactions. Foreign exchange gains and losses resulting from settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the exchange rates prevailing at the year-end are recognised in Net Expenditure.

Income

Revenue from contracts with customers consists primarily of recoupment of costs, client contributions to assistance and additional services to tenants. This revenue is from contracts that typically satisfy their performance obligations as services are rendered/upon completion of the service. Contracts do not have a significant financing component, and payment is typically due within 30 days of the rendering of the service. The contracts are non-complex and there is a single performance obligation to be met for every service provided. The transaction price is the fixed price for the service provided and does not include variable amounts.

This revenue from contracts with customers is from similar supplies made to the same class of customer under the same contracts and as such cannot be disaggregated further.

Other operating income includes:

- Funding receivable from other organisations, including funding from the European Union (EU) for core programme expenditure. Such revenue is matched against programme expenditure wherever possible;
- other income receivable, clawback and other recoveries; and
- loan interest, share dividend and property rent receivable.

Grant expenditure

This expenditure comprises grants payable to companies sponsored by Invest NI under the terms and conditions of financial assistance agreements. Grants payable are accounted for in the period in which the recipient carries out the activity that creates an entitlement to the grant. Recognition of entitlement varies according to the details of individual schemes and the terms of the offers made.

Notes to the Accounts

Year ended 31 March 2025

1. ACCOUNTING POLICIES (CONTINUED)

Programme expenditure

Programme expenditure comprises the costs of operating various economic development schemes and support packages, and associated activities attributable to discharging Invest NI's responsibilities. These components are defined under the programme budgetary framework, as agreed with DfE and accounted for on an accruals basis.

Administration expenditure

Administration expenditure reflects the costs of running Invest NI, as defined under the administrative budgetary framework as agreed with DfE and accounted for on an accruals basis.

Pensions

Present and past employees are covered by the provisions of the NICS Pension arrangements which are unfunded multi-employer defined benefit schemes. Invest NI is unable to identify its share of the underlying assets and liabilities. Invest NI recognises the expected cost of providing pensions on a systematic and rational basis over the period during which it benefits from employees' services by payment to the NICS Pension arrangements of amounts calculated on an accruals basis. All pension contributions are charged to Net Expenditure when incurred.

Employee benefits

IAS19 requires that the cost of employee benefits that have been earned but not paid at the reporting date is recognised as a liability. An accrual for the estimated cost of total employee annual leave at the reporting date has been included in the financial statements.

Early Departure Costs

Invest NI is required to meet the additional cost of benefits beyond the normal NICS Pension arrangements benefits in respect of employees who retire early. Invest NI recognises in full for this cost when the early retirement programme has been committed.

Leases

There are a number of 999 year lease arrangements in place with Invest NI being the lessor in receipt of a peppercorn rent. These arrangements are in place in order to control the future use of the properties in line with property best practice. Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease.

PFI contracts

Upon entering into a PFI contract, Invest NI assesses whether it controls or regulates what services the operator of the contract must provide with the infrastructure, to whom it must provide them and at what price. It also assesses if it controls, through ownership, beneficial entitlement or otherwise, any significant residual interest in the infrastructure at the end of the service arrangement. If both the above conditions are met, the infrastructure will be recognised on the Statement of Financial Position as an asset. If not recognised as an asset the unitary charge and associated costs under the PFI contract are treated as an operating lease if it meets the recognition criteria under IFRS 16.

Right-of-use assets

Invest NI recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying assets is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any re-measurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets. The cost model in IAS 16 is used as a proxy for current value in existing use or fair value for all buildings and PFI right-of-use assets as the lease terms they are based on have a shorter useful life than the respective underlying assets and will not lead to a material difference.

Notes to the Accounts

Year ended 31 March 2025

1. ACCOUNTING POLICIES (CONTINUED)

Lease liabilities

At the commencement date of the lease, Invest NI recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable.

In calculating the present value of lease payments, Invest NI uses the HM Treasury discount rates promulgated in PES papers, as the incremental borrowing rate, at the lease commencement date, because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In additions, the carrying amount of lease liabilities is re-measured if there is a modification, a change in the lease term, a change in the lease payments (e.g. changes to future payments resulting for a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets

Invest NI applies the short-term lease recognition exemption to its short-term leases of buildings (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). Lease payments on short-term leases and leases of low value assets are recognised as an expense in the Statement of Comprehensive Net Expenditure.

Notional charges

Some of the costs directly related to the running of Invest NI are borne by other Government Departments or organisations. These costs have been included on the basis of the estimated cost incurred by the providing organisation.

Judgements and key sources of uncertainty

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of certain assets, liabilities, revenues and expenses, and disclosures of contingent assets and liabilities. The estimates and assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. Since management's judgement involves making estimates concerning the likelihood of future events, the actual results could differ from those estimates.

The judgements that management has made in the process of applying the entity's accounting policies and that have the most significant effect on the amounts recognised in the financial statements are in the areas of valuation of non-current assets, impairment of financial assets and provisions for liabilities.

The share of net assets of each associate is determined using the latest available financial information at the time of approval of these financial statements. Each of the associates are investment entities with large portfolios of loan and equity investments.

The grant provision is a critical accounting estimate. Grants are paid by Invest NI to client companies under the terms and conditions of financial assistance agreements. These agreements last for a number of years and assistance is only payable when eligible activities have been satisfactorily undertaken. The grant accruals calculated for financial assistance agreements are based on a review of claims received at the year-end.

Notes to the Accounts

Year ended 31 March 2025

1. ACCOUNTING POLICIES (CONTINUED)

The grant provision is an estimation of the amount of grant earned by client companies that has not yet been claimed at the year-end. The diverse range of grants offered by Invest NI requires a variety of methodologies to be used in order to calculate the provision amounts. For offers with a balance remaining of over £1m, a provision is assessed for each individual offer on information obtained from the client company. For R&D grants the provision is based on the individual claim history of each offer. For the other grants under £1m, a forecast of grant drawdown is used as the basis of the provision calculation.

Whilst it is recognised that this involves an element of estimation of the liability owed to third parties, an annual review is carried out to assess the amount of the provision that is subsequently claimed by client companies and therefore utilised. Any element of the previous year provision that is not subsequently claimed will be released or re-provided for in the following financial year. Grants will continue to be provided where companies can demonstrate meeting the defined terms of their financial assistance agreement.

Included in group other provisions is an amount in respect of a subsidiary and potential clawback of EU funds in relation to ongoing projects, which is a critical accounting estimate. The valuation has been calculated using the prior experience in relation to amounts that have previously been deemed ineligible.

The fair value valuation of the group's derivative financial instrument is also a critical accounting estimate. The fair value has been obtained from counterparty valuation, and is based on observable market data (level 2). The valuation provided is reviewed by management.

The valuation of property, plant and equipment is a critical accounting estimate. A valuation has been performed at the reporting date by LPS who are third party qualified valuers. The valuation provided is reviewed by management. This has resulted in the property, plant and equipment being held at fair value in the financial statements.

The valuation of investment property is a critical accounting estimate. A valuation has been performed at the reporting date by LPS. Key assumptions considered are rentals received per sq. ft., market rates and market yields in forming the valuations. The valuation provided is reviewed by management. This has resulted in the investment property being held at fair value in the consolidated financial statements.

The group tests annually whether goodwill has suffered any impairment, in accordance with the group's accounting policies. The recoverable amounts of cash-generating units have been determined based on value in use. These calculations require the use of estimates as detailed in note 9.

Going concern

All liabilities will be met by future grant-in-aid, received from and approved annually by DfE. DfE core grant funding for 2025-26 has been approved at an opening value of £120.8m, of which £78.6m relates to Resource funding and £42.2m to Capital funding, for the continuation of Invest NI services. Planned activities for 2025 26 have been formulated in light of the requested funding applied to DfE. Therefore, the future financing of any Invest NI liabilities is expected to be met by DfE. In this context, the accounts have been prepared on a going concern basis.

Notes to the Accounts

Year ended 31 March 2025

2. STATEMENT OF OPERATING EXPENDITURE BY OPERATING SEGMENT

In line with IFRS 8 Operating Segments, Invest NI identified a number of operating segments (as outlined below) which were operational during the accounting period:

- Business Growth
- Finance
- People & Culture
- Regional Business
- International & Skills
- Marketing & Communications
- Strategy & Partnerships
- Board and CEO

The results of NI-CO are included separately as discontinued operations as they no longer form part of any of the Invest NI operating segments, further information is provided in note 24. The results of the BSDL Group are included within the People & Culture segment.

Services provided by each segment

- The Business Growth Group seeks to grow the economy of Northern Ireland through the account management of Invest NI clients and for sectoral development within the business sector teams. The business sector teams include: Advanced Manufacturing & Engineering, Life & Health Sciences, Green Economy Development, Financial & Professional Services, Digital ICT, Food & Drink and Tourism Accommodation. Scaling and High Potential start-up businesses are also included within the work of this group.
- The Business Growth Group also has responsibility for the promotion, embedding of and investment in Innovation and Research & Development (IRD) within businesses in Northern Ireland. The IRD Division provides a wide range of advisory and financial support and works with the Sector, Regional and International teams to ensure they get the innovation support they need to start, grow and export. The division also assists NI businesses to identify the correct support required at a specific time and has relationship with many other funding bodies.
- The Finance Group provides a range of corporate functions to the wider organisation including financial management, corporate risk management, legal advice, business appraisal, offers and claims management, oversees performance, compliance and co-ordination and general governance advice. The Finance Group also provides support to business through our Property Solutions and Corporate Finance teams helping businesses to start, grow and export.
- The People & Culture Group promotes strong people development and culture, provides a range of core HR services, manages our workplace services and oversees management of the BSDL Group.

Notes to the Accounts

Year ended 31 March 2025

2. STATEMENT OF OPERATING EXPENDITURE BY OPERATING SEGMENT (CONTINUED)

- The Regional Business Group supports new and existing businesses through the Regional Office Network, which consists of five teams located in offices in Newry, Omagh, Derry, Belfast, and Ballymena. The teams in these offices work to promote local entrepreneurship and support start-ups and existing businesses to grow through product and process innovation, upskilling and exporting. The staff in these offices are responsible for managing a significant proportion of the Invest NI client portfolio and for securing new companies and investment / reinvestment for Invest NI. The Regional Managers in these offices lead Invest NI's involvement in the Community Planning process and our work more broadly with Councils and Stakeholders, most recently through supporting the establishment of Local Economic Partnerships in each of the eleven local government districts. The group also has responsibility for Businesses Improvement and ESG, ensuring that the benefits of digital transformation and good ESG practice are felt both internally and by our clients.
- The International & Skills comprises teams across Northern Ireland and around the world. Focussed on driving Northern Ireland's global ambition & increasing productivity, the Group is responsible for attracting new inward investment to Northern Ireland, assisting NI businesses to accelerate their growth through exporting and by mobilising a supportive diaspora network via its Northern Irish Connections initiative. The Group also delivers a range of supports to increase productivity by developing business capability in priority areas such as leadership; operational excellence; supply chain development, skills development and collaborative networks.
- The Marketing & Communications Group is responsible for developing and implementing an integrated marketing, communications and engagement strategy for the organisation in both foreign and domestic markets.
- The Strategy & Partnerships Group leads on the development of Invest NI's business strategy in response to the NI Executive's economic agenda, the Economy Minister's policy objectives and the wider economic environment. Through its Corporate Information and Business Performance teams, it reports on Invest NI's performance against its strategic and operational objectives and targets. It also leads on the design and development of advice, guidance and support for businesses in relation to developing, appraising and evaluating projects and programmes and emerging economic priorities. The Strategy & Partnerships Group plays a lead role in supporting City & Growth deal partners to develop and secure approval for strong, industry led, commercially focused projects that will boost economic recovery and future growth.
- The Board and CEO are responsible for Invest NI's performance and strategic direction.

As noted on page 55, on 29 August 2024 NI-CO entered a Members Voluntary Liquidation. The results up until this date have been included in the Invest NI Group Statement of Comprehensive Net Expenditure. At the point of entering Members Voluntary Liquidation, NI-CO was reclassified as a financial asset and is held at fair value at 31 March 2025. Further analysis is provided in note 24.

Notes to the Accounts

Year ended 31 March 2025

2. STATEMENT OF OPERATING EXPENDITURE BY OPERATING SEGMENT (CONTINUED)

2025	Gross expenditure £'000	Income £'000	Total net expenditure per CSoCNE £'000
Board & CEO	940	-	940
Business Growth	47,657	164	47,493
Finance	1,459	2,754	(1,295)
International & Skills	27,348	618	26,730
Marketing & Communications	6,168	-	6,168
People & Culture	3,252	22	3,230
Strategy & Partnerships	5,249	-	5,249
Transformation	13,095	487	12,608
Total	105,170	4,045	101,125
Reconciliation to CSoCNE			
Net finance expense			200
Tax on ordinary activities			95
Net expenditure for the financial year after taxation from continuing operations			101,420
Discontinued operations			1,118
Net expenditure for the financial year after taxation			102,538

2024	Gross expenditure £'000	Income £'000	Total net expenditure per CSoCNE £'000
Board & CEO	559	-	559
Business Growth	49,571	1,099	48,472
Finance	3,843	8,004	(4,161)
International & Skills	25,360	362	24,998
Marketing & Communications	6,710	1,039	5,671
People & Culture	9,119	15	9,104
Strategy & Partnerships	3,098	-	3,098
Transformation	13,353	62	13,291
Total	111,613	10,581	101,032
Reconciliation to CSoCNE			
Net finance income			301
Tax on ordinary activities			1,035
Net expenditure for the financial year after taxation from continuing operations			102,368
Discontinued operations			1,111
Net expenditure for the financial year after taxation			103,479

Notes to the Accounts

Year ended 31 March 2025

3. EXPENDITURE

	Group		Invest NI	
	2025 £'000	2024 £'000	2025 £'000	2024 £'000
Staff costs				
Wages and salaries	33,933	31,849	33,933	31,849
Social security costs	2,952	2,700	2,952	2,700
Other pension costs	8,553	7,118	8,553	7,118
Recoveries in respect of outward secondments and others	(100)	(318)	(235)	(440)
	45,338	41,349	45,203	41,227
Purchase of goods and services				
Programme support	16,943	17,628	16,943	17,628
Rentals under operating leases	304	274	599	635
PFI (and other service concession arrangements) service charges	-	-	287	294
Other administration expenses	3,411	2,726	3,645	2,997
Cost of servicing contracts	2,161	2,001	-	-
Auditor's remuneration – notional	160	148	160	148
Other notional costs	220	223	220	223
Fees payable to auditors for:				
Audit services	29	53	-	-
Non-audit services	2	72	-	-
	23,230	23,125	21,854	21,925
Depreciation and impairment charges				
Depreciation (note 7 & 21)	2,244	2,091	6,733	6,499
Amortisation (note 9)	1,797	1,596	1,797	1,596
Asset impairment (note 7)	309	5,133	309	6
	4,350	8,820	8,839	8,101
Increase/decrease in provisions	2,096	(6,690)	2,096	(6,690)
Other operating expenditure				
Grants	38,842	42,023	38,842	42,023
Programme support activities	1,717	1,037	1,717	1,037
Property acquisition and development	103	91	103	91
Loss/(Profit) on disposal of Property, Plant and Equipment	15	(341)	15	(341)
(Profit)/Loss on disposal of Financial assets	(235)	(1,437)	(235)	(1,437)
Financial instruments gains or losses (note 4)	(12,813)	(199)	(12,813)	(199)
Share of results of associates (note 11)	2,527	3,835	2,527	3,835
	30,156	45,009	30,156	45,009

Notes to the Accounts

Year ended 31 March 2025

3. EXPENDITURE (CONTINUED)

Further analysis of staff costs is located in the Staff Report within the Accountability Report.

Total operating expenditure	Group		Invest NI	
	2025 £'000	2024 £'000	2025 £'000	2024 £'000
Staff costs	45,338	41,349	45,203	41,227
Other COVID-19 Response grants	290	181	290	181
Revenue grants	11,779	12,547	11,779	12,547
Innovation, research and development	13,409	17,685	13,409	17,685
Capital grants	8,690	7,145	8,690	7,145
Skills grants and competitiveness programmes	5,203	4,675	5,203	4,675
International Business support	4,771	5,406	4,771	5,406
Promotion and marketing	6,438	7,007	6,438	7,007
Programme support activities	4,064	2,976	4,064	2,976
Property acquisition and development	2,961	3,157	2,961	3,157
Rentals under operating leases	304	274	599	635
PFI (and other service concession arrangements) service charges	-	-	300	294
Other administration expenses	3,411	2,726	3,632	2,997
Cost of servicing contracts	2,161	2,001	-	-
Fees payable to auditors for:				
Audit services	29	53	-	-
Non-audit services	2	72	-	-
Depreciation and impairment charges	4,350	8,820	8,839	8,101
Auditor's remuneration – notional	160	148	160	148
Other notional costs	220	223	220	223
Loss/(Profit) on disposal of Property, Plant and Equipment	15	(341)	15	(341)
(Profit) on disposal of Financial assets	(235)	(1,437)	(235)	(1,437)
Financial instruments gains or losses (note 4)	(12,813)	(199)	(12,813)	(199)
Share of results of associates (note 11)	2,527	3,835	2,527	3,835
Increase/(decrease) in provisions	2,096	(6,690)	2,096	(6,690)
Total operating expenditure from continuing operations	105,170	111,613	108,148	109,572
Operating expenditure from discontinued operations (note 24)	235	9,834	-	-
Total operating expenditure	105,405	121,447	108,148	109,572

Notes to the Accounts

Year ended 31 March 2025

4. FINANCIAL INSTRUMENTS GAINS OR LOSSES

	Group		Invest NI	
	2025 £'000	2024 £'000	2025 £'000	2024 £'000
Fair value adjustment on shares and convertible loan notes (note 12)	(13,451)	838	(13,451)	838
ECL allowance on fixed rate loans (note 12)	1	17	1	17
ECL allowance on trade receivables (note 20)	721	(1,033)	721	(1,033)
Fair value adjustment on re-measurement of financial assets held at amortised cost (note 12)	(77)	22	(77)	22
Fair value movement on other receivables	(7)	(43)	(7)	(43)
	(12,813)	(199)	(12,813)	(199)

5. INCOME

	Group		Invest NI	
	2025 £'000	2024 £'000	2025 £'000	2024 £'000
Revenue from contracts with customers				
Recoupment of programme expenditure and related costs from client companies and third parties	900	1,557	900	1,557
Other	408	413	-	-
	1,308	1,970	900	1,557
Other operating income				
Other*	597	498	597	498
Property rent	896	856	343	347
Interest income on financial assets at amortised cost	204	282	204	282
Interest income on convertible loan notes	-	66	-	66
Share dividend income	-	83	-	83
Grant clawback	1,040	(737)	1,040	(737)
Core programme receipts from EU*	-	7,564	-	7,564
	2,737	8,612	2,184	8,103
Total income from continuing operations	4,045	10,581	3,084	9,660
Income from discontinued operations	-	8,693	-	-
Total income	4,045	19,274	3,084	9,660

* Programme receipts from the EU of £435,000 has been reclassified in 2023-24 from Core programme receipts from EU to other income to improve compatibility

Notes to the Accounts

Year ended 31 March 2025

5. INCOME (CONTINUED)

Consolidated Fund Income

These amounts were collected by Invest NI acting as agent for the Consolidated Fund (and are otherwise excluded from these financial statements).

	Group		Invest NI	
	2025 £'000	2024 £'000	2025 £'000	2024 £'000
Consolidated Fund Income	244	1,119	244	1,119
Amounts payable to the Consolidated Fund	(244)	(1,119)	(244)	(1,119)
Balance at the end of the year	-	-	-	-

6. TAXATION

(i) Tax charge in the year

	Group		Invest NI	
	2025 £'000	2024 £'000	2025 £'000	2024 £'000
Analysis of charge in year				
Current tax:				
UK corporation tax on taxable income for the current year	-	-	-	-
Adjustments to tax charge in respect of previous periods	(936)	936	-	-
Current tax on loss/profit for the year	949	20	-	-
Total current tax	13	956	-	-
Deferred tax:				
Origination and reversal of temporary differences	82	79	-	-
Impact of rate changes	-	-	-	-
Total deferred tax	82	79	-	-
Total tax charge	95	1,035	-	-

Notes to the Accounts

Year ended 31 March 2025

6. TAXATION (CONTINUED)

(ii) Factors affecting tax charge

	Group	
	2025 £'000	2024 £'000
Net expenditure before taxation from continuing operations	(101,325)	(101,333)
Net expenditure before taxation multiplied by the standard rate of Corporation Tax in the UK of 25% (2024: 25%)	(25,331)	(25,333)
Tax effects of:		
Add: expenditure not deductible for tax purposes	27,014	28,639
Less: income not subject to tax	(771)	(2,412)
Tax relief applied	-	-
Tax losses brought forward	-	-
Origination and reversal of temporary differences	82	76
Capital allowances	106	113
Impact of rate changes	-	-
Adjustments in respect of previous periods	(936)	24
Exempt amounts	(69)	(72)
Total tax charge	95	1,035

The factors affecting the tax charge from discontinued operations are disclosed in note 24.

Invest NI does not have Crown exemption in relation to Corporation Tax and therefore is subject to Corporation Tax in relation to:

- property transactions;
- chargeable gains;
- interest receivable; and
- profits derived from certain activities such as the provision of scientific services.

Notes to the Accounts

Year ended 31 March 2025

6. TAXATION (CONTINUED)

(iii) Deferred tax

Invest NI

Invest NI has not recognised deferred tax assets of £594,450 (2024: £878,500) in relation to brought forward tax losses at 1 April 2025 of £2,378,000 (1 April 2024: £3,514,000), as deferred tax assets are recognised for tax loss carry-forwards only to the extent that the realisation of the related tax benefit through future taxable profits is probable.

Group

The movement on the group deferred tax account is as follows:

	Revaluation of financial assets £'000	Capitalised interest £'000	Accelerated tax depreciation £'000	Revaluation of building £'000	Total £'000
At 1 April 2024 – asset/(liability)	226	(137)	(1,562)	(803)	(2,276)
Credited/(charged) to Net Expenditure	(69)	-	94	-	25
Credited/(charged) to Other Net Expenditure	-	-	-	-	-
31 March 2025	157	(137)	(1,468)	(803)	(2,251)

The tax charge relating to components of other comprehensive income is as follows:

	Group	
	2025 £'000	2024 £'000
Fair value gains on property, plant and equipment		
Before tax (note 7)	1,137	3,084
Tax credit/(charge)	-	32
After tax	1,137	3,116

Notes to the Accounts

Year ended 31 March 2025

7. PROPERTY, PLANT AND EQUIPMENT

	Group				
	Land £'000	Buildings £'000	Computer equipment £'000	Fixtures & fittings £'000	Total £'000
Cost/Valuation:					
At 1 April 2024	39,249	25,152	4,293	4,153	72,847
Additions	867	-	654	205	1,726
Disposals	(456)	-	(257)	(22)	(735)
Revaluations	481	93	205	33	812
Transfer to assets held for sale	(143)	-	-	-	(143)
Impairment (note 3)	(309)	-	-	-	(309)
At 31 March 2025	39,689	25,245	4,895	4,369	74,198
Depreciation:					
At 1 April 2024	-	2,672	3,423	1,273	7,368
Charge for year (note 3)	-	565	597	371	1,533
Revaluations	-	(472)	139	8	(325)
Disposals	-	-	(257)	(22)	(279)
At 31 March 2025	-	2,765	3,902	1,630	8,297
Net Book Value:					
1 April 2024	39,249	22,480	870	2,880	65,479
31 March 2025	39,689	22,480	993	2,739	65,901

Notes to the Accounts

Year ended 31 March 2025

7. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

	Invest NI				
	Land £'000	Buildings £'000	Computer equipment £'000	Fixtures & fittings £'000	Total £'000
Cost/Valuation:					
At 1 April 2024	33,648	4,670	4,166	2,879	45,363
Additions	867	-	654	33	1,554
Disposals	(456)	-	(257)	(22)	(735)
Transfer to assets held for sale (note 15)	(143)	-	-	-	(143)
Revaluations	481	93	205	33	812
Impairment (note 3)	(309)	-	-	-	(309)
At 31 March 2025	34,088	4,763	4,768	2,923	46,542
Depreciation:					
At 1 April 2024	-	2,090	3,306	742	6,138
Charge for year (note 3)	-	93	595	243	931
Disposals	-	-	(257)	(22)	(279)
Revaluations	-	-	139	8	147
At 31 March 2024	-	2,183	3,783	971	6,937
Net Book Value:					
1 April 2024	33,648	2,580	860	2,137	39,225
31 March 2025	34,088	2,580	985	1,952	39,605

Notes to the Accounts

Year ended 31 March 2025

7. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

	Group				
	Land £'000	Buildings £'000	Computer equipment £'000	Fixtures & fittings £'000	Total £'000
Cost/Valuation:					
At 1 April 2023	36,820	27,704	4,557	3,030	72,111
Additions	899	-	102	1,067	2,068
Disposals	(1,375)	(852)	(390)	(2)	(2,619)
Revaluations	2,911	(400)	24	58	2,593
Transfer to assets held for sale	-	(1,300)			(1,300)
Impairment (note 3)	(6)	-	-	-	(6)
At 31 March 2024	39,249	25,152	4,293	4,153	72,847
Depreciation:					
At 1 April 2023	-	3,429	3,281	995	7,705
Charge for year (note 3)	-	561	541	296	1,398
Revaluations	-	(466)	(9)	(16)	(491)
Disposals		(852)	(390)	(2)	(1,244)
At 31 March 2024	-	2,672	3,423	1,273	7,368
Net Book Value:					
1 April 2023	36,820	24,275	1,276	2,035	64,406
31 March 2024	39,249	22,480	870	2,880	65,479

Notes to the Accounts

Year ended 31 March 2025

7. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

	Invest NI				
	Land £'000	Buildings £'000	Computer equipment £'000	Fixtures & fittings £'000	Total £'000
Cost/Valuation:					
At 1 April 2023	31,219	5,622	4,352	1,890	43,083
Additions	899	-	102	933	1,934
Disposals	(1,375)	(852)	(312)	(2)	(2,541)
Revaluations	2,911	(100)	24	58	2,893
Impairment (note 3)	(6)	-	-	-	(6)
At 31 March 2024	33,648	4,670	4,166	2,879	45,363
Depreciation:					
At 1 April 2023	-	2,847	3,092	579	6,518
Charge for year (note 3)	-	95	535	181	811
Disposals	-	(852)	(312)	(2)	(1,166)
Revaluations	-	-	(9)	(16)	(25)
At 31 March 2024	-	2,090	3,306	742	6,138
Net Book Value:					
1 April 2023	31,219	2,775	1,260	1,311	36,565
31 March 2024	33,648	2,580	860	2,137	39,225

IAS 16 requires measurement at fair value. Land and property was re-valued by LPS on 31 March 2025, and in previous financial years, on the basis of open market value for existing use. Management considers this basis to be the best available estimation of fair value.

Details of the group's land and buildings and information about the fair value hierarchy (as described in note 1) as at 31 March 2025 are as follows:

	Level 1 £'000	Level 2 £'000	Level 3 £'000	Fair value as at 31 March 2025 £'000
Land	-	39,689	-	39,689
Buildings	-	22,480	-	22,480

There were no transfers between Level 1 and Level 2 during the year.

With the exception of assets held by Invest NI for its own use, the majority of the land and property portfolio is used to facilitate Northern Ireland's long-term strategic economic development. Invest NI owns all its assets and has no finance leases.

Notes to the Accounts

Year ended 31 March 2025

8. INVESTMENT PROPERTIES

	Group £'000
At 1 April 2023	7,600
Gain arising on fair value adjustment	-
At 1 April 2024	7,600
Gain arising on fair value adjustment	-
At 31 March 2025	7,600

The investment property was revalued at 31 March 2025 on an open market value basis by LPS. This property is not depreciated. The depreciation which would have otherwise been charged would have been based upon the property's estimated useful economic life of 50 years.

Details of the group's investment property and information about the fair value hierarchy as at 31 March 2025 are as follows:

	Level 1 £'000	Level 2 £'000	Level 3 £'000	Fair value as at 31 March 2025 £'000
Investment property	-	7,600	-	7,600

There were no transfers between Level 1 and Level 2 during the year.

9. INTANGIBLE ASSETS

	Group			
	Goodwill £'000	Software licences £'000	Software development £'000	Total £'000
Cost/Valuation:				
At 1 April 2024	20,031	2,195	5,214	27,440
Additions	-	279	951	1,230
Disposals	-	(202)	(286)	(488)
Revaluations	-	99	265	364
At 31 March 2025	20,031	2,371	6,144	28,546
Amortisation/Impairment:				
At 1 April 2024	10,101	1,490	3,742	15,333
Charge for year (note 3)	-	630	1,167	1,797
Disposals	-	(201)	(286)	(487)
Revaluations	-	62	164	226
At 31 March 2025	10,101	1,981	4,787	16,869
Net book value:				
1 April 2024	9,930	705	1,472	12,107
31 March 2025	9,930	390	1,357	11,677

Notes to the Accounts

Year ended 31 March 2025

9. INTANGIBLE ASSETS (CONTINUED)

	Invest NI		
	Software licences £'000	Software development £'000	Total £'000
Cost/valuation:			
At 1 April 2024	2,195	5,214	7,409
Additions	279	951	1,230
Disposals	(202)	(286)	(488)
Revaluations	99	265	364
At 31 March 2025	2,371	6,144	8,515
Amortisation:			
At 1 April 2024	1,490	3,742	5,232
Charge for year (note 3)	630	1,167	1,797
Disposals	(201)	(286)	(487)
Revaluations	62	164	226
At 31 March 2024	1,981	4,787	6,768
Net book value:			
1 April 2024	705	1,472	2,177
31 March 2025	390	1,357	1,747

Details of the group's intangible assets and information about the fair value hierarchy as at 31 March 2025 are as follows:

	Level 1 £'000	Level 2 £'000	Level 3 £'000	Fair value as at 31 March 2025 £'000
Goodwill	-	-	9,930	9,930
Software licences	-	390	-	390
Software development	-	1,357	-	1,357

There were no transfers between Level 1 and Level 2 during the year.

Notes to the Accounts

Year ended 31 March 2025

9. INTANGIBLE ASSETS (CONTINUED)

	Group			
	Goodwill £'000	Software licences £'000	Software development £'000	Total £'000
Cost/Valuation:				
At 1 April 2023	20,031	3,150	4,955	28,136
Additions	-	218	859	1,077
Disposals	-	(1,118)	(674)	(1,792)
Revaluations	-	(55)	74	19
At 31 March 2024	20,031	2,195	5,214	27,440
Amortisation/Impairment:				
At 1 April 2023	4,974	2,106	3,396	10,476
Charge for year (note 3)	5,127	588	1,008	6,723
Disposals	-	(1,118)	(674)	(1,792)
Revaluations	-	(86)	12	(74)
At 31 March 2024	10,101	1,490	3,742	15,333
Net book value:				
1 April 2023	15,057	1,044	1,559	17,660
31 March 2024	9,930	705	1,472	12,107

Notes to the Accounts

Year ended 31 March 2025

9. INTANGIBLE ASSETS (CONTINUED)

	Invest NI		
	Software licences £'000	Software development £'000	Total £'000
Cost/valuation:			
At 1 April 2023	3,150	4,955	8,105
Additions	218	859	1,077
Disposals	(1,118)	(674)	(1,792)
Revaluations	(55)	74	19
At 31 March 2024	2,195	5,214	7,409
Amortisation:			
At 1 April 2023	2,106	3,396	5,502
Charge for year (note 3)	588	1,008	1,596
Disposals	(1,118)	(674)	(1,792)
Revaluations	(86)	12	(74)
At 31 March 2024	1,490	3,742	5,232
Net book value:			
1 April 2023	1,044	1,559	2,603
31 March 2024	705	1,472	2,177

Impairment tests for goodwill

Goodwill has been allocated between the cash generating units (CGU) as follows:

	2025 £'000	2024 £'000
Bedford Street Developments Limited	1,830	1,830
MRDE Limited	8,100	8,100
Total	9,930	9,930

Notes to the Accounts

Year ended 31 March 2025

9. INTANGIBLE ASSETS (CONTINUED)

The recoverable amount of the CGUs has been determined using value in use. This calculation uses a pre-tax cash flow based on financial projections covering the remaining useful economic life of the properties. Management developed the projections based on past performance and based on current market factors. The key assumptions used for value in use are as follows:

	Cash generating unit	2025	2024
Gross margin	MRDE	63%	63%
Future rentals (per sq. ft.)	BSDL & MRDE	£25	£25
Discount rate	BSDL & MRDE	7.50%	8.25%

Future rentals are based on information supplied at 31 March 2025.

The Bank of England base rate decreased to 4.50% by 31 March 2025 (2024: 5.25%), decreasing the commercial borrowing rates and the discount rate applied to measuring value in use of the CGU. This has resulted in nil impairment for the year.

10. INVESTMENTS IN SUBSIDIARIES

	Invest NI	
	2025 £'000	2024 £'000
At 1 April	17,593	17,593
Discontinued operations	(200)	-
At 31 March	17,393	17,593

Investments in group undertakings are recorded at cost, which is the fair value of the consideration paid.

Interests in group undertakings

Name	Country of incorporation	Nature of business	Proportion of ordinary shares held by the parent %	Proportion of ordinary shares held by the group %
Bedford Street Developments Limited	UK	Property leasing	100	-
Bedford Street Management Company Limited	UK	Dormant	-	100
MRDE Limited	UK	Property leasing	-	100
MRDE FM Limited	UK	Dormant	-	100

Notes to the Accounts

Year ended 31 March 2025

10. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

All subsidiary undertakings are included in the consolidation. The proportion of the voting rights in the subsidiary undertakings held do not differ from the proportion of the ordinary shares held. Copies of subsidiary financial statements can be obtained from Companies House: www.companieshouse.gov.uk

As noted on page 55, on 29 August 2024 NI-CO entered Members Voluntary Liquidation. The results up until this date have been included in the Invest NI Group Statement of Comprehensive Net Expenditure. At the point of entering Members Voluntary Liquidation NI-CO was reclassified as a financial asset and is held at fair value at 31 March 2025. Further analysis is provided in note 24.

11. INVESTMENTS IN ASSOCIATES

(i) Share of results in associates:

	Group and Invest NI	
	2025 £'000	2024 £'000
Share of net assets of associates:		
At 1 April	75,449	69,823
At 31 March	72,595	75,449
(Increase)/Decrease	(2,854)	5,626
Distributions from associates (note 26)	8,679	1,994
Less additional capital paid in during year (note 26)	(8,352)	(11,455)
Share of results recorded in Net Expenditure (note 3)	(2,527)	(3,835)

(ii) Summarised financial information on a combined basis:

	Group and Invest NI	
	2025 £'000	2024 £'000
Non-Current Assets	92,925	101,901
Current Assets	9,504	13,977
Current Liabilities	(693)	(396)
Non-Current Liabilities		
Net Assets	101,736	115,482

Revenue	4,695	5,647
(Loss)	(1,667)	(1,398)
Other comprehensive income	-	-
Total comprehensive (expenditure)/income	(1,667)	(1,398)
Distributions from associates	8,679	1,994

All the information in the table above is based on figures prepared in accordance with FRS102.

Notes to the Accounts

Year ended 31 March 2025

11. INVESTMENTS IN ASSOCIATES (CONTINUED)

(iii) Net investment in associates:

	Group and Invest NI	
	2025 £'000	2024 £'000
NITECH Growth Fund Limited Partnership (NITECH)	23	13
NI Growth Loan Fund	473	424
NI Small Business Loan Fund	12	21
Kernel Capital Growth Fund (NI)	-	5,121
Techstart NI SME Equity Limited Partnership (Techstart)	15,215	11,844
QUB Equity Limited Partnership	396	295
Ulster Equity Limited Partnership	945	813
NI Growth Loan Fund II	14,633	21,479
NI Small Business Loan Fund II	3,786	3,405
Growth Finance Fund	9,812	9,346
Techstart Ventures II LP	25,502	22,688
Co-Fund III	1,798	-
Net investment in associates	72,595	75,449

Invest NI, when applying the equity method, has determined using the distribution of income as the best estimate of the share of net assets. The share of net assets of each associate is determined using the latest available financial information at the time of approval of these financial statements. Each of the associates are investment entities with large portfolios of loan and equity investments.

NITECH

Invest NI is the limited partner of the NITECH Growth Fund, which terminated on 21 January 2013. The remaining portfolio of three active investments continues to be monitored by Clarendon Fund Managers, who originally managed NITECH and currently manages a co-investment fund on Invest NI's behalf. There is no fee payable for this ongoing monitoring. It was decided the fund will be terminated when deemed appropriate, but will continue to be included in the financial statements until the process is complete.

NI Growth Loan Fund

Invest NI is a limited partner of the NI Growth Loan Fund, a partnership established in May 2012 and operating in the UK. The Fund is managed by WhiteRock Capital Partners LLP. The Growth Loan Fund provides loans, primarily unsecured in nature, typically between £50,000 and £500,000 to businesses that can demonstrate sales and profitability growth or growth potential. The Fund targets businesses with export potential which are mainly in the manufacturing, engineering or tradable services sectors. The fund has now reached the end of the investment period and will continue to collect payment on outstanding loans. The partnership has a term of ten years. The fund life was extended by 2 years initially to facilitate maximisation of collections from borrowers, then by a further 2 years.

NI Small Business Loan Fund

Invest NI is the limited partner of the NI Small Business Loan Fund LP, a partnership established in January 2013 and operating in the UK. This is a limited partnership registered in Northern Ireland and is managed by Ulster Community Investment plc. The Fund typically provided unsecured loans, between £1,000 and £50,000, to individuals, private companies and social enterprises in the SME and micro enterprise size range, in the start-up and growth phases of development. The fund has reached the end of the investment period and will continue to collect payment on outstanding loans.

Notes to the Accounts

Year ended 31 March 2025

11. INVESTMENTS IN ASSOCIATES (CONTINUED)

The partnership originally had a term of ten years ending in February 2023. The term was extended to February 2025, and the fund has now terminated, subject to a final audit and distribution.

Crescent Capital III LP (ERDF *)

Invest NI is a limited partner of the Crescent Capital III LP Development Fund, a partnership established in July 2013 and operating in the UK. The Fund is managed by Crescent Capital NI. The Fund was targeted with making equity investments in high growth potential companies with total investment of up to £3m over a series of investment rounds available to each investee company. The fund has reached the end of the investment period and there will be no investments made in any new companies. The fund was extended until July 2025 and has now closed.

Kernel Capital Growth Fund (NI) (ERDF *)

Invest NI is a limited partner in the Kernel Capital Growth Fund, a partnership established in October 2013 and operating in the UK. The Fund is managed by Kernel Capital. The Fund was targeted with making equity investments in high growth potential companies with total investment of up to £4.5m over a series of investment rounds available to each investee company. The fund has reached the end of the investment period and there will be no investments made in any new companies. The fund can make follow on investments in existing portfolio companies. The fund was extended until September 2025 and has now closed.

Techstart NI SME Equity Limited Partnership (ERDF *)

Invest NI is the limited partner of Techstart which was established in July 2014 and operates in the UK. This is a limited partnership registered in Northern Ireland and is managed by Techstart Ventures LLP and operating in the UK. The purpose of the partnership was to invest in seed and early stage SMEs engaged in or investing in the technology sector and is now fully invested. The partnership has been extended to July 2026 to allow for divestment.

Queen's University of Belfast Equity Limited Partnership (ERDF *)

Invest NI is a limited partner of the Queen's University Belfast Equity Limited Partnership which was established in July 2014 and operates in the UK. This is a limited partnership registered in Northern Ireland and is managed by Techstart Ventures LLP. It was formed for the purpose of making equity and equity-related investments in connection with providing seed capital for the development of post-research post-proof-of-concept spin-out/spin-in companies from Queen's University Belfast including from the technology sectors related to the Queen's University Belfast research base and is now fully invested. The partnership has been extended to July 2026 to allow for divestment.

Ulster Equity Limited Partnership (ERDF *)

Invest NI is a limited partner of the Ulster Equity Limited Partnership which was established in July 2014 and operates in the UK. This is a limited partnership registered in Northern Ireland and is managed by Techstart Ventures LLP. It was formed for the purpose of making equity and equity-related investments in connection with providing seed capital for the development of post-research post-proof-of-concept spin-out/spin-in companies from Ulster University including from the technology sectors related to the Ulster University research base and it is now fully invested. The partnership has been extended to July 2026 to allow for divestment.

NI Growth Loan Fund II (ERDF*)

Invest NI is a Limited Partner of the NI Growth Loan Fund II, a partnership established in October 2018 and operating in the UK. This is a £30m revolving loan fund with £22m capital contribution provided solely by Invest NI. The Fund is managed by WhiteRock Capital Partners LLP. Loans are typically between £100,000 and £500,000 and provided to export focused NI SMEs demonstrating strong growth or growth potential. The fund reached the end of its investment period in March 2024 and will continue to collect payments on outstanding loans.

Notes to the Accounts

Year ended 31 March 2025

11. INVESTMENTS IN ASSOCIATES (CONTINUED)

NI Small Business Loan Fund II

Invest NI is the limited partner of the NISBLF II LP, a partnership established in August 2018 and operating in the UK. The partnership has a term of ten years. The Fund is managed by Ulster Community Finance on behalf of Invest Northern Ireland and delivered in partnership with Enterprise Northern Ireland. Ulster Community Finance is a subsidiary of the social finance organisation Ulster Community Investment Trust. The Fund typically provides unsecured loans between £10,000 and £100,000 to individuals, private companies and social enterprises in the SME and micro enterprise size range, in the start-up and growth phases of development.

Growth Finance Fund

The Growth Finance Fund, established 30 November 2018 with a ten-year term, is a three-way partnership between Invest NI, British Business Bank and NILGOSC. The partners have consented to extending the fund by £7.5m and 1 further year of investment. This is therefore now a £37.5m Fund lasting 11 years managed by Whiterock Capital Partners LLP and operating in the UK. Loans are typically between £500,000 and £2,000,000 and provided to export focused NI SMEs demonstrating strong growth or growth potential. The fund reached the end of its investment period in February 2023 and will continue to collect payments on outstanding loans.

Techstart Ventures II Limited Partnership (ERDF *)

Invest NI is a limited partner of the Techstart Ventures II Limited Partnership which was established in September 2019 and operates in the UK. The fund is managed by Techstart Ventures LLP. The purpose of the partnership is to invest in start-up and early stage technology companies in NI. The fund has reached the end of the investment period and there will be no investments made in any new companies. The fund can make follow on investments in existing portfolio companies. The partnership has a term of ten years.

Co-Fund III

Invest NI is a limited partner of CIF III LP which was established in November 2024 and operates in the UK. The fund is managed by Clarendon Fund Managers Ltd and has an initial term of ten years, with the purpose of the partnership being to invest alongside private investors into start-up and early stage companies up to a maximum of 50% in any one deal. The fund typically has an initial investment range of £150k to £2m with potential of up to £2.75m total investment when follow on rounds are included.

*These funds were funded from the European Union Investment for Growth and Jobs Programme 2014-2020.

Notes to the Accounts

Year ended 31 March 2025

12. FINANCIAL ASSETS

The group holds the following financial assets:

	Group and Invest NI	
	2025 £'000	2024 £'000
Financial assets at amortised cost		
Fixed rate loans	2,377	3,044
Financial assets at fair value through profit or loss (FVPL)		
Investments in ordinary shares	45,404	41,596
Investments in preference shares	12,645	432
Convertible loan notes	1,730	1,713
	62,156	46,785

Financial assets at fair value through profit or loss (FVPL)

	Group and Invest NI			
	Investments in ordinary shares £'000	Investments in preference shares £'000	Investments in convertible loan notes £'000	Total £'000
Fair value at 1 April 2024	41,596	432	1,713	43,741
Additions	2,417	-	595	3,012
Transfer from investment in subsidiaries	200	-	-	200
Conversions	357	-	(357)	-
Repayments and disposals	(96)	(312)	-	(408)
Dividends received	(134)	(83)	-	(217)
Fair value adjustment (note 4)	1,064	12,608	(221)	13,451
Fair value at 31 March 2025	45,404	12,645	1,730	59,779

Notes to the Accounts

Year ended 31 March 2025

12. FINANCIAL ASSETS (CONTINUED)

Financial assets at amortised cost

	Group and Invest NI		
	Fixed rate loans £'000	Variable rate loans £'000	Total £'000
Gross amount			
At 1 April 2024	4,603	111	4,714
Additions	-	-	-
Repayments	(751)	(1)	(752)
Interest received	(175)	-	(175)
Interest income on financial assets at amortised cost	183	-	183
Fair value adjustment on re-measurement (note 4)	77	-	77
Amount written off	(311)	-	(311)
At 31 March 2025	3,626	110	3,736
Loss allowance			
At 1 April 2024	1,559	111	1,670
ECL allowance (note 4)	1	(1)	-
Amount written off	(311)	-	(311)
At 31 March 2025 (note 20)	1,249	110	1,359
Net balance			
1 April 2024	3,044	-	3,044
31 March 2025	2,377	-	2,377

The group's exposure to various risks associated with financial instruments is discussed in note 20.

Financial assets at amortised cost

	Group and Invest NI	
	2025 £'000	2024 £'000
Gross carrying amount		
Fixed rate loans	3,626	4,603
Variable rate loans	110	111
	3,736	4,714
Loss allowance (note 20)	(1,359)	(1,670)
	2,377	3,044

Notes to the Accounts

Year ended 31 March 2025

12. FINANCIAL ASSETS (CONTINUED)

Amounts recognised in Net Expenditure

The amounts recognised in Net Expenditure in relation to financial assets held at FVPL are detailed in note 4.

The following table explains the judgements and estimates made in determining the fair values of the financial instruments that are recognised and measured at fair value in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the group has classified its financial instruments into the three levels prescribed under the accounting standards. An explanation of each level is included in note 1.

Details about the fair value hierarchy as at 31 March 2025 are as follows:

	Level 1	Level 2	Level 3	Fair value as at 31 March 2025
	£'000	£'000	£'000	£'000
Fixed rate loans	-	-	2,377	2,377
Variable rate loans	-	-	-	-
Investments in ordinary shares	149	44,238	1,017	45,404
Investments in preference shares	-	12,580	65	12,645
Convertible loan notes	-	1,730	-	1,730
	149	58,548	3,459	62,156

Details about the fair value hierarchy as at 31 March 2024 are as follows:

	Level 1	Level 2	Level 3	Fair value as at 31 March 2024
	£'000	£'000	£'000	£'000
Fixed rate loans	-	-	3,044	3,044
Variable rate loans	-	-	-	-
Investments in ordinary shares	101	41,029	466	41,596
Investments in preference shares	-	-	432	432
Convertible loan notes	-	1,713	-	1,713
	101	42,742	3,942	46,785

There were no transfers between levels during the years.

Specific valuation techniques used to value financial instruments include:

- The use of quoted market prices
- The use of recent market prices for instruments that are not traded in an active market
- Discounted cash flow analysis
- Adjusted net asset value

As detailed in note 1, the valuation of financial assets involves estimation of future cash flows that are inherently uncertain.

Notes to the Accounts

Year ended 31 March 2025

12. FINANCIAL ASSETS (CONTINUED)

Collateral

Invest NI takes collateral in support of its lending activities when deemed appropriate. In some instances, depending on the individual client circumstances, Invest NI may lend unsecured. The main types of collateral for loans to clients are fixed and floating charges over property and other assets.

Co-Fund NI

Included within investments in ordinary shares and investments in convertible loan notes, Invest NI participated in Co-Fund NI (ERDF*) and Co-Fund NI II (ERDF*).

Co-Fund NI (ERDF*) was a £28m fund that co-invested in SMEs based in Northern Ireland. Clarendon Fund Managers Limited managed the fund under a six year Management Services Agreement (June 2011-May 2017) and invested in deals which were led by business angels and private investors. The deals ranged from £150,000 to £1m and Invest NI provided £16.8m of funding on the same terms as the private investors. The overall fund ratio of private to public funding was at a minimum 55:45, with no more than a 50:50 split in any one round.

Co-Fund NI II (ERDF*) commenced as a £50m fund, also managed by Clarendon Fund Managers Limited under a six year Management Services Agreement (June 2017-May 2023). The fund invests in the same way as Co-Fund NI. In December 2020 the fund size was increased to £70m, with British Business Investments (BBI) now also participating alongside Invest NI and the private investors. The fund's investment life was initially extended by one year to May 2024, with an additional £2.5m provided for investments. The overall fund ratio of private to public funding will be at a minimum 60:40, with no more than a 50:50 split in any one round. The deals typically range from £150,000 to £1.75m. In June 2024, the life of the fund was extended to May 2030 via a Management Services Agreement with Clarendon Fund Managers Ltd. £7.5m is available for follow-on investment and to 31 March 2025, Invest NI has provided £24.6m for investments.

* Co-Fund NI and Co-Fund NI II were funded from the European Union Investment for Growth and Jobs Programme 2014-2020.

COVID-19 Equity Investment Fund

The COVID-19 Equity Investment Fund (CEIF) was launched in September 2020 with the aim of helping high growth potential SMEs access financing to progress their business plans and prepare for recovery and growth. Together with other investors, the CEIF provided matched equity investment or convertible loan notes of up to a maximum of £700,000 for technology and innovative businesses. The scheme was typically focussed on the sectors of advanced manufacturing, materials and engineering, digital and creative technologies, life and health sciences, cyber security, precision medicine, big data, internet of things and analytics.

Through CEIF Invest NI provided funding of £2.4m on the same terms as private investors. There was one conversion of a loan note to equity in the reporting period. At the reporting date, £0.43m of investments by way of convertible loan notes remain included under the investments in convertible loan notes, as well as £1.63m of equity investments.

Notes to the Accounts

Year ended 31 March 2025

13. TRADE RECEIVABLES AND OTHER RECEIVABLES

	Group		Invest NI	
	2025 £'000	2024 £'000	2025 £'000	2024 £'000
Amounts falling due within one year:				
Trade receivables	12,384	13,128	12,381	12,622
Loss allowance (note 20)	(9,265)	(9,310)	(9,265)	(9,310)
	3,119	3,818	3,116	3,312
Other receivables	6,855	7,659	6,855	7,659
EU receivables	-	2,343	-	2,343
Amounts due from subsidiaries	-	-	136	123
Other taxes and social security	-	-	-	21
Current tax asset	702	-	-	-
Prepayments	2,440	1,981	2,419	1,970
<i>Accrued income</i>				
Loan interest	-	146	-	146
Other	95	15	58	15
	13,211	15,962	12,584	15,589
Amounts falling due after more than one year:				
Other receivables	568	919	568	919
EU receivables	-	-	-	-
	568	919	568	919

As at each reporting date the carrying value of trade and other receivables approximate their fair value due to their short-term nature.

Information about the impairment of trade receivables and the group's exposure to credit risk, foreign currency risk and interest rate risk can be found in note 20.

Notes to the Accounts

Year ended 31 March 2025

14. CASH AND CASH EQUIVALENTS

	Group		Invest NI	
	2025 £'000	2024 £'000	2025 £'000	2024 £'000
Balance at 1 April	28,623	27,769	899	559
Net change in cash and cash equivalent balances	1,667	854	1,594	340
Balance at 31 March	30,290	28,623	2,493	899
The following balances at 31 March were held at: Commercial banks and cash in hand	30,290	28,623	2,493	899
Balance at 31 March	30,290	28,623	2,493	899

Reconciliation of liabilities arising from financing activities

	Group			
	31 March 2024 £'000	Cash flows £'000	Non-cash movements £'000	31 March 2025 £'000
Bank loans (note 17)	14,091	(432)	19	13,678
Financial instrument (note 20)	902	-	(276)	626
	14,993	(432)	(257)	14,304

15. ASSETS HELD FOR SALE

	Group		
	Land £'000	Buildings £'000	Total £'000
At 1 April 2024	-	1,300	1,300
Disposals	-	-	-
Transfers from property, plant and equipment	143	-	143
Transfers to financial assets	-	(1,300)	(1,300)
At 31 March 2025	143	-	143

	Invest NI		
	Land £'000	Buildings £'000	Total £'000
At 1 April 2024	-	-	-
Disposals	-	-	-
Transfers from property, plant and equipment	143	-	143
At 31 March 2025	143	-	143

One piece of land is included in assets held for sale. One building was included as assets held for sale at 31 March 2024.

Notes to the Accounts

Year ended 31 March 2025

16. TRADE PAYABLES AND OTHER PAYABLES

	Group		Invest NI	
	2025 £'000	2024 £'000	2025 £'000	2024 £'000
Amounts due within one year:				
Trade payables and accruals	8,121	6,327	8,044	6,157
Accrued grant payables	9,999	10,355	9,999	10,355
Other taxation and social security	714	57	714	-
Amount owed to subsidiaries	-	-	184	192
EU payables	1,011	-	1,011	-
Other payables	3,367	5,121	3,367	4,857
Deferred income	355	201	345	158
Amounts due to DfE: other income surrendered	1,618	2,363	1,618	2,363
	25,185	24,424	25,282	24,082

At each reporting date the carrying values of the above instruments approximate their fair value due to their short-term nature.

17. BORROWINGS

	Group		Invest NI	
	2025 £'000	2024 £'000	2025 £'000	2024 £'000
Current				
Bank Loans	638	420	-	-
	638	420	-	-
Non-current				
Bank loans	13,040	13,671	-	-
	13,040	13,671	-	-

The fair value of borrowings is not materially different from their carrying value as the impact of discounting is not significant. For the purposes of IFRS 7, the financial liabilities noted above are classified as other financial liabilities. The carrying amount of the group's borrowings is denominated in Sterling. The effective interest rate at the reporting date of bank term loans is 1 month Bank of England less 0.00685% plus 1.05% margin.

Notes to the Accounts

Year ended 31 March 2025

17. BORROWINGS (CONTINUED)

Maturity of financial liabilities

The maturity profile of the carrying amount of borrowings is as follows:

	Group	
	2025 £'000	2024 £'000
Bank loans		
Amounts due in less than one year	638	420
In more than one year but not more than two years	831	638
In more than two years but not more than five years	4,344	3,598
After more than five years	7,865	9,435
	13,678	14,091

The amounts included in the table below are the contractual undiscounted cash flows of current and non-current borrowings:

	Group	
	2025 £'000	2024 £'000
Bank loans		
Less than one year	1,462	1,276
In more than one year but not more than two years	1,611	1,462
In more than two years but not more than five years	6,231	5,728
After more than five years	8,139	10,245
	17,443	18,711

BSDL has given a floating charge over its assets to secure the borrowings of MRDE.

Notes to the Accounts

Year ended 31 March 2025

18. PROVISIONS FOR LIABILITIES AND CHARGES

(i) Amounts falling due within one year:

	Group		
	Grants £000	Other £000	Total £'000
At 1 April 2023	19,273	2,075	21,348
Provided in the year	10,883	160	11,043
Under provision from prior year / (Provisions not required written back)	(938)	-	(938)
	9,945	160	10,105
Provisions utilised in the year	(16,795)	(191)	(16,986)
At 31 March 2024	12,423	2,044	14,467
Provided in the year	14,723	-	14,723
Under provision from prior year / (Provisions not required written back)	(567)	-	(567)
	14,156	-	14,156
Provisions utilised in the year	(12,060)		(12,060)
Derecognition of provision on the deconsolidation of subsidiary		(1,884)	(1,884)
At 31 March 2025	14,519	160	14,679

Notes to the Accounts

Year ended 31 March 2025

18. PROVISIONS FOR LIABILITIES AND CHARGES (CONTINUED)

	Invest NI	Invest NI	Invest NI
	Grants £'000	Other £'000	Total £'000
At 1 April 2023	19,273	-	19,273
Provided in the year	10,883	160	11,043
Under provision from prior year / (Provisions not required written back)	(938)	-	(938)
	9,945	160	10,105
Provisions utilised in the year	(16,795)	-	(16,795)
At 31 March 2024	12,423	160	12,583
Provided in the year	14,723	-	14,723
Under provision from prior year / (Provisions not required written back)	(567)	-	(567)
	14,156	-	14,156
Provisions utilised in the year	(12,060)	-	(12,060)
At 31 March 2025	14,519	160	14,679

(ii) Analysis of expected timing of discounted flows

Provisions	Group	
	2025 £'000	2024 £'000
Not later than one year	14,679	14,467
Balance at 31 March	14,679	14,467

Provisions	Invest NI	
	2025 £'000	2024 £'000
Not later than one year	14,679	12,583
Balance at 31 March	14,679	12,583

Notes to the Accounts

Year ended 31 March 2025

18. PROVISIONS FOR LIABILITIES AND CHARGES (CONTINUED)

Grants

The majority of grant provisions are due to be paid within one year, hence the effect of discounting is considered to be immaterial. As detailed in note 1, a grant provision is made where companies can demonstrate meeting the defined terms of their financial assistance agreement.

Other Invest NI provisions

On 17th June 2019 the Court of Appeal ruled in respect of Northern Ireland Industrial Tribunal's November 2018 decision on cases taken against the PSNI on backdated Holiday Pay. The case was referred to the Supreme Court and the judgment (PSNI v Agnew) was delivered on 4 October 2023, upholding the decision surrounding holiday pay shortfalls and can date back as far as 1998. As this judgement has potential implications for the Northern Ireland Civil Service (NICS) and Invest NI's staff are, in the main, employed under NICS terms and conditions, a provision in respect of potential liabilities for holiday pay has been estimated and included in the accounts. This estimate contains some significant elements of uncertainty as NICS continues to take further legal advice and wider NICS Trade Union negotiations are ongoing.

19. STATEMENT OF CASH FLOWS

Adjustments for non-cash transactions

	2025 £'000	2024 £'000
Notional expenditure on COVID-19 Business Support Schemes *	(106)	(198)
Notional costs (note 3)	380	371
Movement in Provisions for the year (note 18)	14,156	10,105
Depreciation (note 3)	2,244	2,094
Amortisation (note 3)	1,797	1,596
Loss/(Profit) on disposal of Property, plant and equipment	15	(341)
(Profit)/Loss on Financial asset disposal	(235)	(1,437)
Impairment (note 3)	309	5,133
Interest charge on lease liabilities	24	32
Financial instruments gains or losses (note 4)	(12,813)	(199)
Share dividend income (note 5)	-	(83)
Interest income on financial assets at amortised cost (note 5)	(183)	(282)
Share of results of associates (note 11)	2,527	3,835
Foreign exchange loss/(gain)	(277)	(194)
Net adjustment to ROU assets and lease liability	(15)	-
Derecognition of net assets on deconsolidation of subsidiary (note 24)	885	-
Total non-cash transactions	8,708	20,432

* This represents the amounts paid under the COVID-19 Business Support Schemes operated and administered by DfE/LPS. An equivalent amount of notional grant-in-aid was received from DfE to cover the expenditure in year.

Notes to the Accounts

Year ended 31 March 2025

20. FINANCIAL INSTRUMENTS

Financial Risk Management

Financial instruments are primarily held as part of the overall financial assistance to client companies. Invest NI is not exposed to the degree of financial risk faced by business entities because of the largely non-trading nature of its activities and the way NDPBs are financed. Moreover, Invest NI has very limited powers to borrow or invest surplus funds. Financial assets and liabilities are generated by day-to-day operational activities and are not held to mitigate the risks facing Invest NI in undertaking its activities. Invest NI is primarily exposed to credit risk, currency risk and market risk (including price risk and interest rate risk).

Invest NI's net resource requirements are financed by resources voted by the Assembly through DfE. The organisation is therefore not exposed to significant liquidity risks.

Credit risk

Invest NI's principal financial assets are cash and cash equivalents, receivables, investments in ordinary shares and preference shares, investments in convertible loan notes and fixed and variable rate loans. Invest NI's credit risk is primarily attributable to its receivables and investments in shares, loan notes, and fixed and variable rate loans. The amounts presented in the Statement of Financial Position are net of allowance for expected credit loss. Invest NI has no significant concentration of credit risk, with exposure spread over a large number of counterparties and customers.

The group's maximum exposure to credit risk is the value of the financial assets referred to in note 12 and receivables in note 13. The group has the following assets that are subject to the expected credit loss model:

- Trade and other receivables
- Fixed and variable rate loans

While cash and cash equivalents are also subject to the impairment requirements of IFRS 9, there was no identified impairment loss. The credit risk on cash and cash equivalents is limited because the counterparties are banks with high credit-ratings.

Trade and other receivables – loss allowance

The group always recognises lifetime ECL for trade and other receivables. The expected credit losses on these financial assets are estimated using a provision matrix based on the group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date.

The group considers that default has occurred when a financial asset is more than 180 days past due unless the group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

Reconciliation of loss allowance on trade receivables

	Group and Invest NI £'000
Loss allowance on trade receivables at 31 March 2024	9,310
Release of loss allowance on write off	(766)
ECL allowance on trade receivables (note 4)	721
Transfer to other receivables	-
Loss allowance on trade receivables at 31 March 2025	9,265

Notes to the Accounts

Year ended 31 March 2025

20. FINANCIAL INSTRUMENTS (CONTINUED)

	Group				Total
	Current	More than 30 days past due	More than 90 days past due	More than 180 days past due	
At 31 March 2025					
Expected loss rate	1.4%	85.6%	21.3%	82.5%	74.2%
	£'000	£'000	£'000	£'000	£'000
Gross carrying amount	1,021	885	399	10,186	12,491
Loss allowance	14	758	85	8,408	9,265

	Invest NI				Total
	Current	More than 30 days past due	More than 90 days past due	More than 180 days past due	
At 31 March 2025					
Expected loss rate	1.4%	86.0%	21.3%	82.5%	74.2%
	£'000	£'000	£'000	£'000	£'000
Gross carrying amount	1,022	882	400	10,186	12,490
Loss allowance	14	758	85	8,408	9,265

	Group				Total
	Current	More than 30 days past due	More than 90 days past due	More than 180 days past due	
At 31 March 2024					
Expected loss rate	23.2%	23.5%	82.7%	82.5%	70.9%
	£'000	£'000	£'000	£'000	£'000
Gross carrying amount	1,236	1,339	231	10,322	13,128
Loss allowance	287	315	191	8,517	9,310

	Invest NI				Total
	Current	More than 30 days past due	More than 90 days past due	More than 180 days past due	
At 31 March 2024					
Expected loss rate	39.6%	23.3%	83.4%	82.5%	73.8%
	£'000	£'000	£'000	£'000	£'000
Gross carrying amount	724	1,349	229	10,320	12,622
Loss allowance	287	315	191	8,517	9,310

Notes to the Accounts

Year ended 31 March 2025

20. FINANCIAL INSTRUMENTS (CONTINUED)

Fixed and variable rate loans – loss allowance

	Group and Invest NI			
	12-month ECL £'000	Lifetime ECL £'000	Impaired £'000	Total loss allowance £'000
Fixed rate loans (note 12)	196	-	1,053	1,249
Variable rate loans (note 12)	-	-	110	110
Loss allowance at 31 March 2025	196	-	1,163	1,359

	Group and Invest NI			
	12-month ECL £'000	Lifetime ECL £'000	Impaired £'000	Total loss allowance £'000
Fixed rate loans (note 12)	279	-	1,280	1,559
Variable rate loans (note 12)	-	-	111	111
Loss allowance at 31 March 2024	279	-	1,391	1,670

The group recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, the group measures the loss allowance for that financial instrument at an amount equal to 12-month ECL.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

For assets classified as impaired above, there is objective evidence of impairment, including the following indicators:

- Significant financial difficulties of the debtor
- Probability that the debtor will enter bankruptcy or financial reorganisation, and
- Default or late payments

Significant estimates and judgements

The loss allowances for financial assets are based on assumptions about risk of default and expected loss rates. The group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the group's history, existing market conditions as well as forward looking estimates at the end of each reporting period.

Currency risk

Currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

Invest NI receives reimbursement of certain grant payments from the EU. Transactions with the EU are denominated in Euro and therefore exposed to currency risk. The revenue due from the EU is recognised as a receivable when it is initially paid to grant recipients. However, only when Invest NI submits claims to the EU is the relevant portion of the receivable subject to exchange rate risk.

Notes to the Accounts

Year ended 31 March 2025

20. FINANCIAL INSTRUMENTS (CONTINUED)

Market risk

Invest NI is exposed to equity price risks arising from equity investments. The shares included in the financial statements represent investments in listed and unlisted equity securities that present Invest NI with opportunity for return through dividend income and capital growth.

Interest rate risk

The majority of Invest NI's financial assets and all of its financial liabilities carry nil or fixed rates of interest. Movement in interest rates does not represent a significant risk to the organisation's operation.

The group's interest rate risk arises from borrowings, which are comprised of bank term loans. The group manages this risk by a mixture of variable interest rates on term loans and by the use of interest rate swap contracts. The interest rate is monitored on a regular basis with reference to movements in global interest rates and the potential impact upon the group's cost of borrowing.

Derivative financial instruments

The group has entered into an interest-rate swap whereby the group pays a fixed rate and receives a variable rate.

The fair value of this interest rate swap is recognised as a financial liability under non-current liabilities on the Consolidated Statement of Financial Position with fair value movements being reported in the Statement of Comprehensive Net Expenditure under finance costs.

The group's derivative financial instrument is valued under level 2 in the fair value hierarchy.

The fair value of the group's derivative financial instrument, a liability (designated for hedging) of £626,000 (2024: £902,000) is obtained from counterparty valuation, and is based on observable market data.

The movement on the group's derivative financial instrument is as follows:

	2025 £'000	2024 £'000
At 1 April	902	1,190
Fair value adjustment	(276)	(288)
Liability at 31 March	626	902

It is not possible to determine the portion of the group's derivative financial instrument that will fall due within 12 months as it will depend on the movement of interest rates.

Notes to the Accounts

Year ended 31 March 2025

21. LEASES

Invest NI as lessor

Net property rental income earned during the year was £343,000 (2024: £347,000). The group earned rental income of £896,000 (2024: £855,000). All operating lease contracts contain a number of clauses regarding rent renewals. All rent renewals are subject to valuation by Land and Property Services acting on behalf of Invest NI. At 31 March, Invest NI had contracted with tenants for the following future minimum lease payments:

Obligations under operating leases for the following periods comprise:	Group	
	2025 £'000	2024 £'000
Buildings:		
Year 1	744	771
Year 2	425	746
Year 3	78	425
Year 4	58	78
Year 5	37	58
Onwards	3,411	3,562
	4,753	5,640

Obligations under operating leases for the following periods comprise:	Invest NI	
	2025 £'000	2024 £'000
Buildings:		
Year 1	111	135
Year 2	108	111
Year 3	78	108
Year 4	58	78
Year 5	37	58
Onwards	3,411	3,562
	3,803	4,052

Notes to the Accounts

Year ended 31 March 2025

21. LEASES (CONTINUED)

Invest NI as lessee

Right-of-use assets

	Group		Invest NI		
	Buildings £'000	Total £'000	Buildings £'000	PFI Lease £'000	Total £'000
Cost:					
At 1 April 2024	3,973	3,973	3,973	42,610	46,583
Adjustment to opening balance	26	26	26	208	234
Remeasurement of lease liability	57	57	57	481	538
At 31 March 2025	4,056	4,056	4,056	43,299	47,355
Accumulated Depreciation					
At 1 April 2024	1,346	1,346	1,346	9,732	11,078
Adjustment to opening balance	11	11	11	50	61
Charge for year (note 3)	711	711	711	5,091	5,802
At 31 March 2025	2,068	2,068	2,068	14,873	16,941
Carrying Amount:					
1 April 2024	2,627	2,627	2,627	32,878	35,505
31 March 2025	1,988	1,988	1,988	28,426	30,414

The Group currently leases several regional and international office properties. The average remaining lease term is 2.9 years. Invest NI HQ is leased under a PFI arrangement from a group company with a remaining term of 5.6 years. Further information on the PFI is presented in note 23.

One lease was subject to a rent review in 2024-25. This resulted in a remeasurement of the lease liability and subsequent adjustment to right-of-use assets of £57,000 (2024: £99,000). For Invest NI, the PFI contract was subject to an inflationary increase which resulted in the remeasurement of lease liability of £0.5m. The adjustments to the opening balances in this year are the result of changes in accounting estimates after updating models for increased precision and are recognised prospectively. They are not as a result of error, changes in accounting policy or measurement basis.

Amounts recognised in profit and loss:

	Group		Invest NI	
	2025 £'000	2024 £'000	2025 £'000	2024 £'000
Depreciation expense on right-of-use assets	711	696	5,802	5,688
Interest expense on lease liabilities	24	32	318	393
Expense relating to short-term leases	78	88	78	88
	813	816	6,198	6,169

The total Group cash outflow for leases amount to £725,000 (2024: £631,000)

Notes to the Accounts

Year ended 31 March 2025

21. LEASES (CONTINUED)

Lease liabilities

Maturity analysis:

	Group		Invest NI	
	2025 £'000	2024 £'000	2025 £'000	2024 £'000
Year 1	702	742	5,999	5,963
Year 2	501	691	5,798	5,912
Year 3	489	512	5,786	5,733
Year 4	355	480	5,652	5,701
Year 5	116	339	5,413	5,560
Onwards	-	98	3,089	8,383
	2,163	2,862	31,737	37,252
Less Interest element	(48)	(73)	(804)	(1,285)
Present Value of obligations	2,115	2,789	30,933	35,967
Analysed as:				
Current	682	716	5,732	5,622
Non-current	1,433	2,073	25,201	30,345
	2,115	2,789	30,933	35,967

The Group does not face a significant liquidity risk with regard to its lease liabilities.

22. OTHER FINANCIAL COMMITMENTS

	Group and Invest NI	
	2025 £'000	2024 £'000
Commitments in relation to unclaimed grants under financial assistance offers and agreements at the year-end comprised:	128,948	112,830

It is not possible to determine the date of future claims by client companies in relation to the above obligations.

Notes to the Accounts

Year ended 31 March 2025

23. COMMITMENTS UNDER PFI CONTRACT

The contract for the Bedford Square headquarters Private Finance Initiative (PFI) project was signed in November 2004. Invest NI is committed to the terms and conditions in the final contract. The contract is on a 25 year basis from October 2005. The service charge payable by Invest NI includes unitary charges for facility (property and car parking) and reprographic charges. The Bedford Square headquarters is not an asset of Invest NI and it is an off Statement of Financial Position property. In 2013-14 Invest NI acquired the BSDL Group that manages the PFI contract, as such the asset now forms part of the Consolidated Statement of Financial Position. Under IFRS 16, the PFI contract is now recognised as a right-of-use asset and corresponding lease liability (see note 21 for more detail).

The asset has been revalued by LPS on 31 March 2025 at £25,500,000 (2024: £25,500,000). Total future minimum payments due under this PFI contract are given in the table below for each of the following periods:

	Invest NI	
	2025 £'000	2024 £'000
Not later than one year	5,464	5,395
Later than one year and not later than five years	22,396	22,188
Later than five years	3,336	9,007
	31,196	36,590

The above is subject to annual service performance review adjustments and includes an assumption that charges will increase by an average inflation factor of 0.63% per annum over the remaining term, an impact of approximately £1.1m. The prior year figures have been restated to include adjustment for inflation. Invest NI may avail of other services at an additional cost and reduced service requirements in accordance with the provisions set out in the contract.

Notes to the Accounts

Year ended 31 March 2025

24. DISCONTINUED OPERATIONS

As noted on page 55, on 29 August 2024 NI-CO entered a Members Voluntary Liquidation. The results up until this date have been included in the Invest NI Group Statement of Comprehensive Net Expenditure. At the point of entering Members Voluntary Liquidation, NI-CO was reclassified as a financial asset and is held at fair value at 31 March 2025.

The assets and liabilities at the point control of the subsidiary was lost were as follows:

	August 2024 £'000
Fixed Assets	1,300
Current Assets	1,773
Total Assets	3,073
Liabilities	(1,988)
Net Assets	1,085
Equity:	
Share Capital	(200)
Retained Earnings	(885)
Total Equity	(1,085)

As 100% of the investment was retained by the parent there was no gain or loss at the point of deconsolidation.

	£'000
Fair value of consideration received	-
Fair value of retained investment	1,085
Total Assets	1,085
Less carrying value of net assets retained	(1,085)
Group gain/loss on deconsolidation of subsidiary	-
Recognised in the accounts as follows:	
Fair value gain attributable to the parent on recognition of asset	885
Derecognition of net assets	(885)
Group gain/loss on deconsolidation of subsidiary	-

The group disposal of assets has been recognised in discontinued operations.

Notes to the Accounts

Year ended 31 March 2025

24. DISCONTINUED OPERATIONS (CONTINUED)

The results of the discontinued operations, which have been included in the net expenditure for the year, were as follows:

	2025 £'000	2024 £'000
Revenue from contracts with customers	-	8,693
Total operating Income	-	8,693
Staff Costs	(5)	(2,139)
Purchase of goods and services	(230)	(7,692)
Depreciation and impairment charges	-	(3)
Total operating expenditure	(235)	(9,834)
Net operating expenditure	(235)	(1,141)
Finance Income/ (Expenditure)	2	(1)
Derecognition of net assets	(885)	-
Net expenditure before tax from discontinued operations	(1,118)	(1,142)
Taxation Charge	-	31
Net expenditure after tax from discontinued operations	(1,118)	(1,111)

The cashflows from discontinued operations which have been included in the consolidated statement of cashflow, were as follows:

	2025 £'000	2024 £'000
Net cash outflow from operating activities	(167)	(4,379)
Net cash inflow from investing activities	-	2
Net increase/(decrease) in cash and cash equivalents in the year	(167)	(4,377)
Cash and cash equivalents at the beginning of the year	1,940	6,317
Cash and cash equivalents at the point of deconsolidation/end of year	1,773	1,940

Notes to the Accounts

Year ended 31 March 2025

24. DISCONTINUED OPERATIONS (CONTINUED)

The factors affecting the tax charge from discontinued operations were as follows:

	Group	
	2025 £'000	2024 £'000
Net expenditure before taxation from discontinued operations	(1,118)	(1,142)
Net expenditure before taxation multiplied by the standard rate of Corporation Tax in the UK of 25% (2024: 25%)	(280)	(286)
Tax effects of:		
Add: expenditure not deductible for tax purposes	280	286
Origination and reversal of temporary differences	-	(27)
Adjustments in respect of previous periods	-	(4)
Total tax charge	-	(31)

25. CONTINGENT LIABILITIES DISCLOSED UNDER IAS 37

Invest NI receives EU grants and administers programmes that are funded by EU financial assistance. Therefore Invest NI is bound by the appropriate EC regulations and requirements. Invest NI has a potential liability to repay EU grants if the relevant EC regulations and requirements are not met or complied with. Any potential future liability would be dependent upon any irregularity not yet identified. Therefore at the end of the financial year, the maximum amount of potential liability is not quantifiable but the inherent risks remain as Invest NI has continued to carry out the administrative role.

The PSP&JO Act received Royal Assent on 10 March 2022. The UK Act legislates how the government will remove the discrimination identified in the McCloud judgment. A number of past and present NICS pension scheme members have taken a class action in relation to injury to feelings. This class action affects all employers across the NI public sector and is an extremely complex case which may have significant implications for both Invest NI and wider public sector. However, the cases are at a very early stage of proceedings and until there is further clarity on potential scope and impact, a reliable estimate of liability cannot be provided.

Notes to the Accounts

Year ended 31 March 2025

26. RELATED PARTY TRANSACTIONS

Transactions with the Parent and other Government Departments

Invest NI is a NDPB of DfE. DfE is regarded as a related party. During the year, Invest NI has had various material transactions with DfE. At the reporting date Invest NI had the following outstanding balances with DfE:

	2025 £'000	2024 £'000
Payables: amounts due within one year (note 16):		
Balances with other central government bodies	1,618	2,363

In addition, Invest NI had various transactions with other government departments and their agencies, and other central government bodies. Most of these transactions have been with DoF and HMRC. There were no material outstanding balances with these bodies, local authorities, HSS Trusts, public corporations or trading funds.

Transactions with associates

The relationships with associates are detailed in note 11. The following payments were made to associates during the year:

	2025 £'000	2024 £'000
Crescent Capital III LP	127	300
Kernel Capital	268	1,297
Techstart NI SME Equity	232	125
QUB Equity Limited Partnership	31	50
Ulster Equity Limited Partnership	31	50
Growth Finance Fund	(138)	2,293
NI Growth Loan Fund II	-	7
Techstart Ventures II LP	5,146	6,333
Small Business Loan Fund II	600	1,000
Co-Fund III	2,055	-
	8,352	11,455

The following distributions were received from associates during the year:

	2025 £'000	2024 £'000
Techstart Ventures II LP	1,370	-
Techstart NI SME Equity	-	548
NI Growth Loan Fund	202	1,446
NI Growth Fund II	7,107	-
	8,679	1,994

Notes to the Accounts

Year ended 31 March 2025

26. RELATED PARTY TRANSACTIONS (CONTINUED)

Transactions involving ELT

A beneficial interest exists when the Chief Executive or Executive Director is either directly, or through a family connection, a material shareholder or receives a payment from the entity for their services. A family connection will give rise to a beneficial relationship where the family member occupies a senior position in the relevant organisation.

Financial assistance transactions: (Refer to the key at end of note)

ELT member	Company	Nature of relationship	New financial assistance offered 2025 £'000	Amount paid 2025 £'000	New financial assistance offered 2024 £'000	Amount paid 2024 £'000
Alan McKeown	Belfast City Council	(a)	-	-	-	168

Payments made by Invest NI for services (inclusive of VAT where applicable):

ELT member	Company	Nature of relationship	Amount paid 2025 £'000	Amount paid 2024 £'000
Alan McKeown	Belfast City Council	(a)	24	24

Amounts invoiced by Invest NI (inclusive of VAT where applicable):

ELT member	Company	Nature of relationship	Amount invoiced 2025 £'000	Amount invoiced 2024 £'000
Alan McKeown	Belfast City Council	(a)	*	1

Balance owed from the entity at 31 March:

ELT member	Company	Nature of relationship	Balance 2025 £'000	Balance 2024 £'000
Alan McKeown	Belfast City Council	(a)	(b)	*

*Commercially sensitive

Notes to the Accounts

Year ended 31 March 2025

26. RELATED PARTY TRANSACTIONS (CONTINUED)

Transactions involving Board members

Due to the nature of Invest NI's operations and the composition of its Board members (being from local private and public sector organisations), it is inevitable that transactions will take place with companies and organisations in which Board members may have a beneficial or non-beneficial interest. A beneficial interest is when the Board member is either directly, or through a family connection, a material shareholder or receives a payment from the entity for their services. A family connection will give rise to a beneficial relationship where the family member occupies a senior position in the relevant organisation.

Further details regarding the Register of Interests are on page 43.

Transactions with these related entities are conducted on an arm's length basis. Financial assistance packages are subject to normal project and programme rules and internal appraisal procedures. The purchase of goods and services are subject to normal tendering processes, and the organisation's procurement policy, which complies with DoF guidelines. All proposals and transactions are approved in line with the delegation policies approved by DfE.

During the year, the transactions in the tables below (inclusive of VAT where applicable and aggregate value in excess of £1,000) were made with entities in which Board members have had a beneficial interest during the year. On this basis, where disclosure was made in 2023–24 for bodies from which Board members resigned or retired during 2023–24, these are not replicated in the 2024–25 financial statements. Similarly, where a Board member retired from Invest NI in 2023–24 no disclosure has been made in respect of this individual for 2024–25. The 2023–24 information has been retained for comparative purposes. Where a Board member has been appointed to Invest NI in 2024–25, no comparative information for 2023–24 has been provided in respect of this individual.

Where a Board member has resigned/retired from either Invest NI or another organisation during the year, transactions with the relevant organisation during the year are disclosed but balances owing to/from the body at the year-end are not on the grounds that no beneficial relationship existed at that date.

Notes to the Accounts

Year ended 31 March 2025

26. RELATED PARTY TRANSACTIONS (CONTINUED)

Financial assistance transactions:

Board member	Company	Nature of relationship	New financial assistance offered 2025 £'000	Amount paid 2025 £'000	New financial assistance offered 2024 £'000	Amount paid 2024 £'000
Colin Coffey	Agri-Food and Biosciences Institute	Chair	-	30	-	37
	Natural World Products Limited	Chair	150	-	-	-
Julie-Ann O'Hare	Radox Laboratories	Senior Management	10	-	-	-
Scott Richie	Cocktail Keg Company	Investor	-	10	-	10
	Ammi Systems Ltd	CEO	37	-	(c)	(c)
Dominic Darby	Around Noon Foods Ltd	Director	42	-	-	213
Michael McQuillan	Blinks Beauty Ltd	(a)	62	27	-	-

Payments made by Invest NI for services (inclusive of VAT where applicable):

Board member	Company	Nature of relationship	Amount paid 2025 £'000	Amount paid 2024 £'000
Colin Coffey	Institute of Directors	Member and Chartered Director Assessor	-	4
Marie-Therese McGivern	Northern Ireland Water Limited	Non-Executive Director	14	14
Kieran Kennedy	North West Regional College	Member of Governing Body	76	153
Michael McQuillan	South Eastern Regional College	Member of Governing Body	-	5

Notes to the Accounts

Year ended 31 March 2025

26. RELATED PARTY TRANSACTIONS (CONTINUED)

Amounts invoiced by Invest NI (inclusive of VAT where applicable):

Board member	Company	Nature of relationship	Amount invoiced 2025 £'000	Amount invoiced 2024 £'000
Dominic Darby	Around Noon Ltd	Director	10	-
Julie-Ann O'Hare	Randox Laboratories	Senior Management	7	-

Balance owed to the company at 31 March:

Board member	Company	Nature of relationship	Balance 2025 £'000	Balance 2024 £'000
Colin Coffey	Agri-Food and Biosciences Institute	Chair	11	20
Kieran Kennedy	North West Regional College	Member of Governing Body	34	45
Michael McQuillan	South Eastern Regional College	Member of Governing Body	10	5
John Healy	Fintru Limited	Chair	796	(c)
Dominic Darby	Around Noon Foods Ltd	Director	-	98

There were no loan or receivable balances outstanding at 31 March 2025 (2024: £Nil) from any company in which a Board member had a beneficial interest.

Key

- (a) Connected via family relations.
- (b) The ELT member resigned from Invest NI during 2024-25, therefore balances owing to/from the body at the year-end are not disclosed on the grounds that no beneficial relationship existed at that date.
- (c) The board member's role changed during 2024-25 and as such there is now a beneficial relationship this year. Balances owing to/from for previous years have not been disclosed on the grounds that no beneficial relationship existed at that time.

27. EVENTS AFTER THE REPORTING PERIOD

There have been no significant events since the year-end which affect the financial statements.

Date of authorisation for issue

The Accounting Officer authorised the issue of these financial statements on 03 October 2025.

If you require this document in an alternative format (including Braille, audio disk, large print or in minority languages to meet the needs of those whose first language is not English) then please contact:

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