

INVEST NORTHERN IRELAND

ANNUAL REPORT AND ACCOUNTS

2025-26

INVEST NORTHERN IRELAND

ANNUAL REPORT AND ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2026

Laid before the Northern Ireland Assembly under Paragraphs 17(5) and 18(2) of Schedule 1 to the Industrial Development Act (Northern Ireland) 2002 by the Department for the Economy.

on

10-07-2026

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Contents

	Page
Performance Report	
Overview	1
Performance Analysis	23
Accountability Report	
Corporate Governance Report	48
Statement of Accounting Officer's Responsibilities	52
Governance Statement	53
Remuneration and Staff Report	68
Assembly Accountability and Audit Report	86
Financial Statements	
Consolidated Statement of Comprehensive Net Expenditure	93
Statement of Comprehensive Net Expenditure – Invest NI	94
Consolidated Statement of Financial Position	95
Statement of Financial Position – Invest NI	96
Consolidated Statement of Cash Flows	97
Consolidated Statement of Changes in Taxpayers' Equity	98
Statement of Changes in Taxpayers' Equity – Invest NI	99
Notes to the Accounts	100

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

2025-26 marked the second year of 'Our Future in Focus', Invest NI's three year Business Strategy, with the Board leading the organisation to implement the strategy, providing focus, oversight and challenge.

As a Board, our primary objective is to ensure Invest NI is delivering the right solutions and support to translate the Department for the Economy's policies and priorities into operational reality and thereby deliver against the Economy Minister's Vision.

The Minister's Economic Vision focuses on four pillars:

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

Supporting businesses to drive up productivity is central to our current Business Strategy with an outcome target of supporting 5,000 productive investments in businesses across Northern Ireland by the end of the Strategy. It is a significant achievement that, at the end of year two of a three-year Strategy, we have already achieved 86 per cent of this target. Especially at a time when businesses are facing rising costs, trade uncertainty and competing priorities.

59 per cent of these investments have been to businesses that are located outside the Belfast Metropolitan Area, the Department's chosen measure for Regional Balance, or offer Northern Ireland wide opportunities. This hasn't reached the level we had hoped by year two of the Strategy and will remain an area of focus for both the Board and the Invest NI leadership team.

While creating new jobs is no longer the primary focus for growing the NI economy, helping companies create good quality jobs is still important. It is therefore pleasing to see efforts in this area deliver a continued increase. In 2025-26, 85 per cent of the new jobs supported by Invest NI will pay salaries above the Northern Ireland Private Sector Median wage, an increase of 12 percentage points on last year.

Helping companies to become more energy efficient, while also contributing towards Net Zero targets, is one way Invest NI can help businesses combat rising costs. In 2025-26 £136m of green investment was secured through Invest NI interventions, almost four times last year's outturn.

Three Mid-Ulster companies were successful in their applications to the Shared Island Sustainability Capital Grant. These multi-million pound investments, alongside other capital investments made through our Agri-Food Investment Scheme, Energy Efficiency Capital Grant and Resource Efficiency Capital Grants are ensuring more businesses are improving efficiencies and driving up productivity.

The Board and I fully appreciate, and would like to officially recognise, the time, energy and effort of every member of the Invest NI team in helping achieve these strong outcomes.

Performance Report

Overview

As a Board, alongside our monthly meetings, our four Board led sub-committees ensure enhanced focus on the Business Strategy and Minister's priorities. These Committees provide the Board the opportunity for higher levels of oversight and strategic guidance on complex topics or areas of significant importance.

The Audit & Risk Assurance Committee (ARAC) oversees governance issues and assurance arrangements within the operational and governance framework set by the Board and the Department for the Economy.

The Business Funding Committee (BFC) provides independent oversight, strategic direction, and challenge in relation to Invest NI's Programme and Grant approvals, sourcing of alternative funding sources and Access to Finance Fund portfolio.

The Strategic Resources Committee (SRC) maintains oversight of issues relating to Financial Management, People Resources, Communications, Digital, Information Technology and Data Management.

The Executive Performance Assessment Committee (EPAC) sets the targets/performance indicators against which the performance of the CEO is assessed and measured.

I would like to express my thanks to my Board colleagues for their work and support in leading and inputting into these Committees.

In addition to this Committee structure the Board and I welcome the new executive leadership and operational Committee structure now in place. The conclusion of recruitment to the new Executive Committee (ExCo), with three new C-suite level roles now in place to support the Chief Executive, provides stability and focus for the Invest NI team and a clear sense of direction.

Addressing the leadership of the organisation was one of the areas of focus arising from the Independent Review of Invest NI and the associated Action Plan. The appointment of the new C-suite and the new Committee structure at Board and operational level will ensure decisions are made effectively and efficiently and resources are used wisely.

This transparent, inclusive and accountable approach to leadership is very welcome. Decisive and innovative leadership will be crucial to enable Invest NI to respond to the complex global events impacting business operations, and the local budget pressures. As a Board we have been ensuring appropriate planning and risk mitigations are in place, especially around the potential for a reduced operating budget and the material constraint it could place on future activity.

At the end of this year three Members of our Board – Colin Coffey, Marie-Therese McGivern and Michael McQuillan stepped down after serving two terms. Kieran Kennedy resigned from his position earlier in the year. I wish to extend my heartfelt thanks to each of them for their service to the Board of Invest NI and to furthering Northern Ireland's business and economic achievements.

Starting their first terms as new Members to our Board are: Fiona Derry, Emma Garrett, Máirtín Ó Muilleoir, Peter Lynch and Andrew Webb. We look forward to working with them and to the insights they can bring to our discussions on furthering Invest NI's role in growing the NI economy.

Performance Report

Overview

While excellent progress has been made against many of the Business Strategy objectives there are some areas that are behind on target, largely due to market conditions and delivery constraints. Along with Northern Ireland businesses, we face continued pressures, global uncertainties, and new challenges. It will, therefore, be even more important that the Board and Invest NI leadership team work together to deliver the right solutions for business and direction for staff to ensure we make positive progress in the final year of our Business Strategy.



John Healy
Chair

Date: 7 July 2026

Performance Report

Overview

CEO Review

A strong performance in year two of our Strategy

March 2026 represented the end of the second year of our three-year strategy – *Our Future in Focus 2024-2027*. We measure our performance in delivering the strategy in several ways, including: the number and value of investments undertaken by our clients; the location of these investments; their potential to create good jobs and the average salary attached to these roles; the impact that the investments will have on companies capacity to innovate and to export to international markets; and much more. I am pleased to report that we successfully met or exceeded most of our targets in 2025-26.

For example, we set a target to win 1,650 investments worth £575 million, with the potential to create 3,300 jobs, with at least 60 percent of these jobs paying a salary above the Northern Ireland (NI) Private Sector Median (PSM) of £31,772 per annum. Against these targets, we delivered 2,221 investments with an aggregate value of £764 million and a potential 4,301 new jobs, with 85 percent of these roles paying a salary above the NI PSM. This is the best performance in a decade, in a challenging environment and reflects constructive engagement between Invest NI and our clients and other stakeholders.

To measure how this investment activity impacts sales, employment, exports, R&D spend and productivity across our portfolio, we collect additional performance data through our annual Client Performance Indicator (CPI) survey, which are Official Statistics, and are published in June each year.

In 2025 our client base consisted of 2,388 businesses employing 149,217 people and generated annual sales of £34.4bn and exports of £11.9bn. Despite accounting for 2 per cent of all Northern Ireland businesses in 2024, our clients accounted for 21 per cent of all full-time equivalent employment and 57 per cent of all exports from Northern Ireland.

Further details on our two-year outcomes and overall progress against our Business Strategy are outlined in the Performance Report.

Resilience in the face of global and local challenges

Invest NI and our clients spent the year navigating a world shaped by geopolitical uncertainty, rapid technological change, increased evidence of the impact of AI and shifts in markets and trading conditions.

The business year started with a new US Trade Policy. This saw the United States adopt a somewhat volatile and unpredictable approach to the application of tariffs to different countries and different products. It has left many companies confused and uncertain, export plans in limbo and has had a profound impact on global trade.

Our Trade Task Force maintained close contact with businesses and industry bodies to assess the impact of the various tariffs to ensure we were able to provide guidance to our clients to help them understand and mitigate the impact of any changes.

At the time of writing, the situation in the Middle East is adding to these pressures. There has been a sharp decline in business confidence, significant increases in energy costs and concern over the potential impact on inflation, revenues and profitability.

Performance Report

Overview

Geopolitical developments are impacting business and economies but also people. Invest NI has staff and their families based in several locations in the region and we have been closely monitoring developments and regularly engaging with our staff to ensure their safety and wellbeing.

Closer to home, the 2025 UK Budget introduced an increase in employers National Insurance Contributions to 15 per cent and this was followed by a rise in the National Living Wage in April 2026. Related increases in operating costs for our businesses could result in a reduction in business investment. Supply chain disruptions and delays are forcing companies to rethink logistics, slowing down production and impacting revenues.

Northern Ireland has some specific challenges with respect to infrastructure, for example, water and wastewater capacity and connectivity to the power grid. We have consulted with NI Water and other infrastructure providers to address and resolve any pinch points for existing clients and new investors on a case-by-case basis.

Our performance in 2025-26 and the significant levels of investment undertaken by our clients highlights once again the remarkable resilience and ambition of business in NI. This is a strength that we must preserve and protect by considering ways to support the competitiveness of our industrial base.

Recognising and converting opportunities

Across all sectors, the drive to win new business through investment, innovation and exporting is crucial to the future growth of our economy. In 2025, Northern Ireland outperformed the other parts of the UK in terms of sustained growth in exports to the EU, a trade market worth £6 trillion per year. In 2025-26, we supported 136 clients to export for the very first time. This was 91 per cent of the full year target of 150. While it is difficult to track the specific reasons for trade wins, dual market access is a unique source of opportunity and competitive advantage for our businesses over their GB and EU counterparts. As part of our work to help businesses export, we are continuing to evaluate the impact of tariffs, monitor supply chain issues and develop advice and support to assist businesses to capture the benefits of dual market access.

To identify further opportunities for trade and investment by our clients, we have also established a new Business Development Committee (BDC) to systematically identify and capture these opportunities through the development of new sectoral strategies, Account Development Plans (ADPs) for key clients and by reviewing and updating our target lists and client portfolios.

Increased focus on research, development (R&D) and innovation

A major focus of our strategy is increasing the number of clients that invest in R&D and innovation. This is fundamental if clients are to improve their existing products, services and processes and to develop new ones as a basis for maintaining or increasing their revenues and profitability. In our current strategy, we set a target to win a minimum of 1,650 new investments in R&D and innovation over three years. As of the end of 2025-26, the second year of our strategy, we have delivered 1,516 of these investments, representing 92 per cent of the full three-year target. This is an excellent performance and positions the organisation to over deliver in this vital area.

Despite this encouraging performance, we cannot become complacent. Relative to the size of our client portfolio (circa 2,500 companies), not enough clients are undertaking R&D and innovation, and we need to continue to promote and support this type of investment, which is essential if we are to address Northern Ireland's relatively weak productivity performance.

Performance Report

Overview

Promoting regional balance

As a predominantly rural region, Northern Ireland has long struggled with regional disparities. Regional and local challenges – such as infrastructure, the provision of industrial sites and services, planning and the availability of skills – require purposeful partnership and meaningful cooperation across all stakeholders and partners. During the year we have continued to build close relationships with key stakeholders, such as local councils, universities and colleges, NIE Networks, NI Water and Local Economic Partnerships (LEPs) to find collaborative solutions to relevant issues.

Our role in supporting regional balance has come under significant scrutiny this year. We have set specific targets to drive our focus on improving regional balance including, among other things, the number and value of investments that we deliver outside the Belfast Metropolitan Area (BMA). In 2025/26, we set a target to deliver 62.5 per cent of our investments and 45 per cent of the total value of all investments outside the BMA. We delivered 59 per cent and 48 per cent respectively against these targets, undershooting on the *number* of investments but exceeding on the *value* measure. It is very encouraging that the investments that we are supporting outside the BMA are increasing in their value and sophistication, but we still need more of them.

We have introduced programmes to try and reach more regionally based businesses and held over 68 regional events, Business Breakfasts and Drop-in Clinics, upweighted our campaigns for calls for applications for our *Ambition to Grow*, *Business Innovation Grant*, *Innovation Vouchers* and *Resource Efficiency Capital Grant* programmes across the regions and hosted numerous regional stakeholder engagement events.

Our contribution to improved regional balance has several dimensions, but the following are particularly important: supporting more entrepreneurs to establish new start-up businesses in their locality; supporting existing businesses to reinvest in plant, equipment, technology, R&D, innovation and skills; attracting more Foreign Direct Investment (FDI); and working with local stakeholders to improve the competitiveness and overall attractiveness of their regions.

In this context, initiatives such as the City and Growth Deals, Labour Market Partnerships, and Local Economic Partnerships (LEPs) are significant because they bring together councils, businesses, educational institutions and civic society to help ensure that interventions are rooted in local insight, whether that's addressing skills gaps, supporting entrepreneurship or building the infrastructure needed to attract and retain investment. Invest NI undoubtedly has a key role to play in achieving improved regional balance, but it cannot deliver this policy objective by itself.

Ongoing transformation: Developing our people, processes and culture

Behind our performance is a team of dedicated professionals who deliver guidance, advice and expertise, funding programmes and the internal processes, systems, and capabilities that enable the organisation to provide its wide range of services and supports to businesses across NI. I want to thank all my colleagues at Invest NI for their contribution to what we have delivered this year.

Leading this team is a new C-Suite. Along with the appointments in May 2025 of Anne Beggs as Chief Commercial Officer (CCO) and Kathryn Hill as Chief Operating Officer (COO), we have now completed the restructuring of Invest NI's senior leadership with the appointment of Alison Currie to the role of Chief Development Officer (CDO) in January 2026. These senior leaders together with Paula Logue, Executive Director, People and Culture, and Peter Harbinson, Executive Director, Communications and Marketing, constitute Invest NI's new Executive Committee (ExCo).

Supported by the Board, the Executive Committee is leading an ongoing restructuring and transformation of the organisation. For example, we have established a new Corporate Services Group and are currently establishing a new International Investment Group to specifically manage

Performance Report

Overview

our foreign-owned clients and to drive increased inward investment, while also creating a Domestic Business Group to manage and drive the development of locally owned companies. We believe this restructuring of our approach to portfolio management in combination with a new segmentation model will deliver improved client service and performance.

ExCo is supported by a new structure of Sub- Committees focused on specific areas such as operations, investment and credit approval, business development and human resources. These Committees are critical fora for organisational decision-making, for driving the implementation of our strategy and associated targets and for sharing experience, knowledge and insight.

During 2025-26, we invested in optimising our processes and systems to make them less bureaucratic, more digitally enabled, efficient and client friendly. These improvements are designed to benefit both our clients and our staff. Through our Digital Strategy, we implemented improved processes to streamline the on-boarding experience for our clients, as well as the Know Your Customer (KYC) process used to validate company and personnel data.

Our dedicated team, in collaboration with SureCert, co-designed a system to automate our KYC processes. This highly innovative collaboration has developed a system tailored to public sector needs to verify the identity, legitimacy, and risk profile of a potential client. Since April 2025 we have screened over 330 new businesses and have reduced our KYC processing time by 80 per cent thereby making our on-boarding process much quicker for clients. This project has been externally recognised for its innovation and received a Silver for Best Technology Digital Initiative at the Customer Contact Network Northern Ireland (CCNNI) Awards, and also a highly commended Belfast Telegraph IT Project of the Year award for 2025. We believe these initiatives together with a new client portal that is due to launch later in 2026 will deliver a better customer experience for our clients as well as greater administrative efficiencies across the organisation.

As part of our increased focus on our people and culture, we also launched a new set of corporate values in 2025. These values are the principles that guide our decisions and actions, help shape our culture, enhance job satisfaction, and drive overall success.



These values are now being incorporated into a new approach to performance management and people development that will positively shape and influence Invest NI's culture. While much has been achieved, Invest NI is still an organisation that is transforming its mindset and approach to economic development.

Performance Report

Overview

Our budget is a challenge to sustained delivery

We began 2025-26 with a reduced budget, which required cutbacks in some parts of our operations and particularly in our overseas office network. This budgetary pressure is continuing and as we go to print the organisation remains in a challenging budgetary environment. As a result, there is a misalignment between the ambition and targets in our strategy, the strength of our investment pipeline and the budget available to convert this investment. This places our target delivery and full implementation of our strategy at risk.

In terms of the investments that we encourage and support our clients to undertake; the majority require some level of financial support and are usually multi-year projects that can take up to five years to fully implement. This is the reason we continue to push for multi-year budgets – to provide a more certain and long-term approach to our business and economic development activities.

Identifying alternative sources of funding is one way that we have sought to address budgetary pressures. For example, over the past two financial years, Invest NI received £21.2m from the UK Shared Prosperity Fund (SPF). This funding was used to support innovation related projects including Innovation Vouchers, Grant for R&D and Knowledge Transfer Partnerships (KTPs). We also used the SPF to finance our Operational Excellence and Lean Fundamentals workshops, and events including our Powering Productivity Conference, Lunch and Learn and Business Breakfasts.

Similarly, in partnership with Enterprise Ireland and InterTrade Ireland, we collectively bid for €30m to deliver a Shared Island Enterprise Scheme. This delivered €10 million in incremental funding for Invest NI that enabled us to deliver new programmes dedicated to entrepreneurship, sustainability and clustering. The Irish Government's Shared Island initiative is intended to promote co-operation, connection and mutual understanding on an All-Island basis and has become a valuable source of alternative funding for Invest NI. You can read more about the impact of this and other initiatives in our Performance Report section.

Conclusion

Invest NI delivered a substantial volume and value of business investment in 2025-26. This included significant investments by both local and internationally owned clients including Kainos, KES, Cirdan and Bank of America. Collectively, the more than 2,000 investments supported during the year will now contribute to strengthening the long-term growth potential of the NI economy.

As we look ahead to 2026-27 and the final year of our current strategy, we have built a healthy forward pipeline. Our task now is to expand and convert this pipeline as we work to achieve the balance of the targets remaining in the final year of our strategy.

The principal risk to achieving this goal is receiving a sustainable budget. Less budgetary capacity will inevitably result in less output. At present, our Board and Executive Committee is modelling several scenarios for the years ahead based on different budget allocations and reviewing the impacts of each on our ability to deliver targets and ultimately the final outcomes of our Business Strategy. Our commitment to implementing our strategy remains the same, but the reality of a reduced or delayed budget allocation could mean that, despite our best efforts, we are unable to fully deliver the ambitions we set out to achieve.

It is through this lens that we also start the planning for our next Business Strategy. We are already working through where we see the opportunities for Northern Ireland businesses and what our role should be to help them capitalise on these opportunities, albeit framed in the context of continued global instability, rising costs and economic uncertainty.

Performance Report

Overview

Whatever operating environment we find ourselves in, I know that our Board and the whole Invest NI team, will bring forward innovative solutions, a positive attitude and a commitment to deliver.

Finally, I would like to express my thanks to the Minister, our Chair, John Healy, Board members, Executive Committee, senior management team, staff, colleagues at the Department for the Economy (DfE) and crucially our clients and key stakeholders for their support of our work over the past twelve months.

A handwritten signature in black ink, reading 'Kieran Donoghue', with a stylized flourish at the end.

Kieran Donoghue
Chief Executive

Date: 7 July 2026

Performance Report

Overview

2025-26 was the second year of our three-year business strategy where we continued to consolidate our efforts to support businesses to make productive investments across our six strategic priority areas:



Boosting Business Investment

As explored in the CEO's Review, 2025-26 was a year characterised by tax increases, rising employment costs, trade uncertainties and global tensions. Despite these pressures, our client companies continued to make significant investments in their business.

In total, we delivered 2,221 investments in 2025-26 across a range of investment types including capital investment, job creation, R&D and innovation, training, energy efficiency and exports. This means that at the end of the second year of our strategy, we have already delivered an aggregate of 4,293 investments. This represents 86 per cent of the full three-year target of 5,000. Our assistance, combined with the investments from the companies we support, will generate approximately £764m worth of investment in our economy, up 19 per cent on last year. This brings us to a cumulative £1.4 billion in investment over the first two years of the strategy, equivalent to 80 per cent of the full three-year target of £1.75 billion.

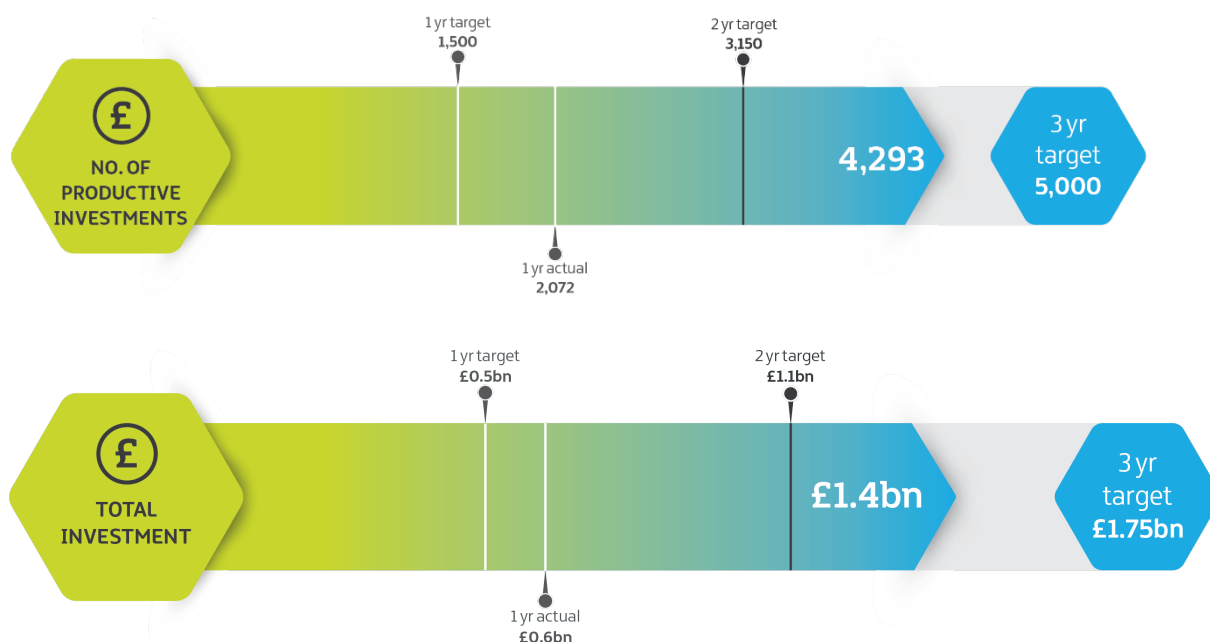
Examples of some of the supported investments include KES, which made its third expansion in our Strabane Business Park. Beyond the 40 new jobs that the expansion will create, the company has evolved from a pure construction business to a technology provider for the data centre and switchgear market. It has invested in new facilities, new skills and cutting-edge technology. This innovation has opened up a whole new market for the company, which is now servicing both Europe and the US.

Our Agri-Food Investment Initiative supported 11 food companies to make capital investments in their business totaling £80m. Ready Egg Products was one of these companies. The company started in Lisnaskea, Fermanagh, in 1975 and is now the largest egg producer in the UK and Ireland. It is investing £2.9m in robotics and automation to improve its productivity. As well as helping the company increase production, the investment will also reduce waste and increase energy efficiency, another important element of long-term business sustainability.

In terms of Foreign Direct Investment (FDI), Achilles Information Limited was one of 20 new inward investors that we secured this year. Choosing Northern Ireland for its "exceptional environment for technology-led businesses", the company is setting up a sales and technology hub with the potential to create 26 new jobs. The value of the investment is c£1m in annual salaries to the NI economy.

Performance Report

Overview



Overall, 92 per cent of the investments supported in 2025-26, valued at £421m, were made by locally owned businesses such as KES, Ready Egg and Craftec.

Craftec Group was one of 127 companies who became new Invest NI clients during the year. When the company first approached us for advice about setting up the business, we offered guidance and support through our Regional Office in Omagh. We have since provided this Mid-Ulster business with financial support to create 10 new jobs. In its first year of business, the company generated £1.3m in external sales and is continuing to work with us to target new markets.

Ann McErlean, Managing Director at Craftec Group, said:

"I started Craftec Group because I believed in the potential of the Mid Ulster area and the skills of the local workforce. Starting a new business can be daunting, particularly in a well-established manufacturing sector, but with Invest NI's support we've been able to grow quickly and with confidence."

Independent watchmaker, Nomadic Watches Ltd, has grown rapidly from a Carrickfergus-based sole-founder operation, to a profitable SME, with an in-house watch manufacturing team and a flagship Belfast store.

A successful applicant in the first cohort of our Ambition to Grow (ATG) programme, the company has gone on to receive support to create 20 new full-time jobs and scale the business to £3m turnover, with 75 per cent external sales and 40 per cent exports within three years.

Access to finance is essential to businesses at every stage of growth. As well as our support programmes, we also operate a portfolio of debt and equity funds designed to support start-ups, microbusinesses, and SMEs. In May 2025, under the banner 'Access to Finance' (A2F), we announced a commitment of £100m across three funds with the potential to unlock a further £150m of private sector investment. In 2025-26, a total of 194 investments have been made through these funds, totaling over £92m in investment including leveraged private investment. In 2025/26, we invested nearly £3m in 13 local companies through Co-Fund III. This was matched by £5.4m of private investment.

Performance Report

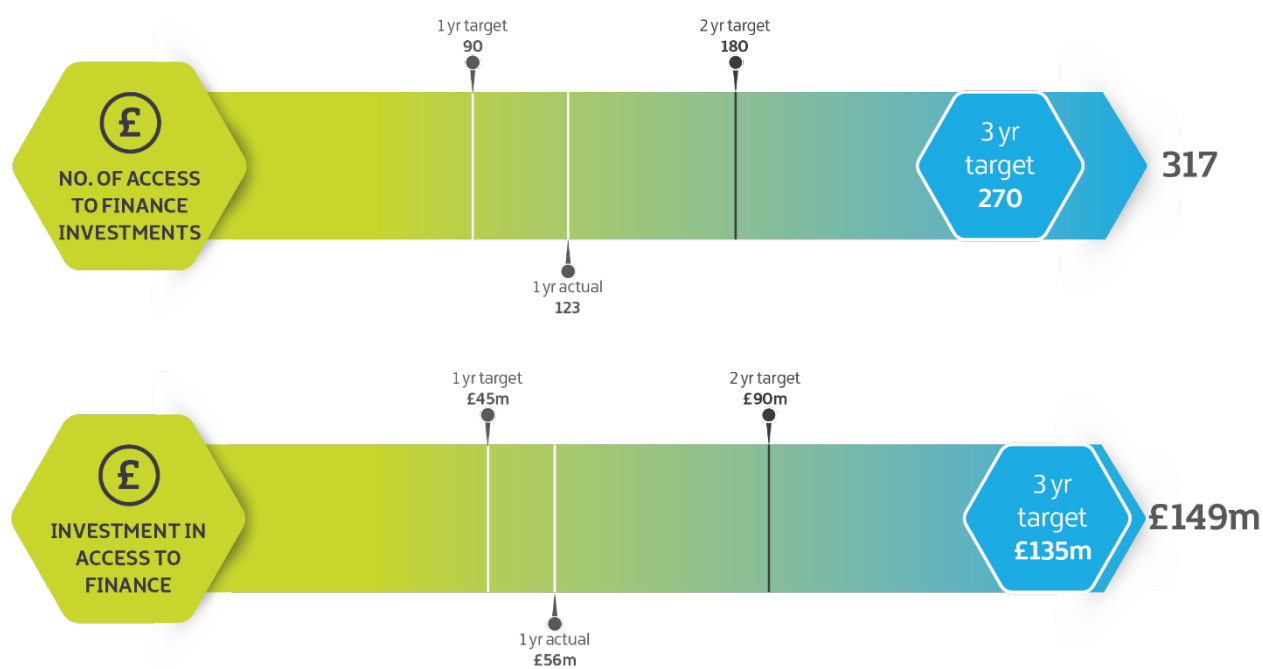
Overview

One recipient of funding was Senergy Innovations, a female-founded, Carryduff-based company that specialises in the design, supply and installation of complete solar thermal hot water solutions to homes and businesses. Senergy received funding of £500,000 from Co-Fund III, as part of a £1.25m round. The company has used the investment to increase sales of its solar solution, build out the team and develop new products to expand into the automotive market.

Kindred of Ireland Ltd applied to the NI Small Business Loan Fund (SBLF) for some assistance to help it with capital-heavy, one-off costs associated with setting up a permanent retail location in Mayfair, London. The company had already tested the market in 2024 with a pop-up shop in London and establishing a permanent base in the city is the natural next step for this business and fashion brand. Over the period May 2025 to March 2026, the SBLF has issued 39 loans totalling £1.64m.

In December we announced a further £29.2m of funding for the Investment Fund for Northern Ireland to increase available debt financing in the fund. The fund has already invested nearly £40m in 50 businesses.

As part of our current strategy, we set a target to support a total of 270 Access to Finance investments with a value of £135m. At the end of this year, we have already exceeded these targets by delivering 317 investments worth £149 million.



Promoting Places and Partnerships

Entrepreneurship is one of the most powerful drivers of regional balance. Homegrown businesses are rooted in their local areas, and when they scale successfully, they create jobs and boost skills. We have created three new programmes specifically designed to support founders and entrepreneurs – Founder Labs, Ambition to Grow and the Business Innovation Grant – providing advice, mentoring and financial assistance at different stages of the development of a business.

Ambition to Grow (ATG) is one of the ways we are trying to reach more businesses that might not consider themselves a potential client. Including an initial pilot programme, it has so far helped us to

Performance Report

Overview

onboard 270 new client companies. These companies have received crucial advisory and financial support to help them increase sales in export markets and create new jobs.

In 2025-26 we ran another 'Supporting Women' call specifically seeking applications to ATG from female entrepreneurs. Marie-Claire McGreevy and Oonagh O'Reilly from MCO Performance, were successful in their application, along with 16 other female led businesses. This young company, established in 2024, provides bespoke consultancy and workshop services and we are helping them develop export plans and grow the team.

Speaking about the company's successful application to the Supporting Women ATG programme, Oonagh O'Reilly, Co-Founder of MCO Performance said:

"[It's] setting us up to build our team out, particularly developing our technical capability and our customer success for us. For us, I suppose Invest NI have been with us every step of the way and we're looking forward to more innovation and more scaling over the next coming years."

As part of the €30 million Shared Island Enterprise Scheme, we are collaborating with InterTradelreland and Enterprise Ireland to deliver three female entrepreneurship programmes, aimed at women founders at every stage of business development. These include:

- WeBuild – A tech programme designed to empower women entrepreneurs to accelerate their tech-driven business ideas.
- WeGrow – A growth programme for established women-led SMEs who are aiming for growth and expansion across the island.
- WeScale – A scaling programme dedicated towards empowering women entrepreneurs to scale strategically and sustainably.

Launched in 2025, the programmes offer expert mentoring, tailored business supports, practical workshops and extensive networking opportunities. So far, 102 NI female entrepreneurs have been supported through this initiative.

Founder Labs and Founder Labs Pre-Accelerator are our programmes for early-stage and very early-stage technology-based innovation driven start-ups. This year 20 start-ups and 18 very early-stage start-ups received support through these programmes, receiving mentoring, workshops to develop skills, and grant funding. Combined, a total of nearly £2.8m of private sector investment has been raised by companies taking part in these two programmes.

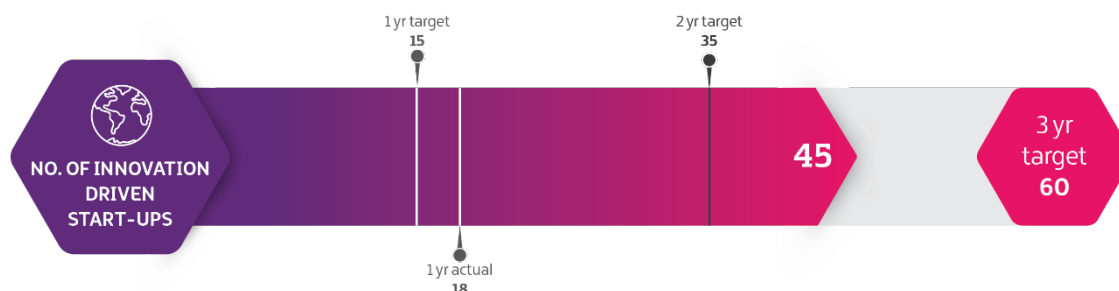
LifeCellsNI is based in The AMP Incubation Centre in Derry~Londonderry. This very early-stage business is building Northern Ireland's first accredited stem cell preservation and processing facility. As a result of the advice, support and mentoring it received on our Founder Labs Pre-Accelerator, the company has successfully raised £590k in private equity investment.

"The Pre-Accelerator sharpened our message, validated our market, and gave us the confidence to raise. It was the momentum we needed that helped us secure £590k in pre-seed and set the business on the right trajectory." Catherine King, Founder LifeCellsNI.

We have set a target to deliver 60 innovation driven start-ups as part of our current strategy and supported 27 of these in 2025-26 against a target of 20. This brings us to a cumulative 45 of these investments over the last two years or 75 per cent of the full three-year target of 60.

Performance Report

Overview



Our network of regional offices plays a crucial role in identifying new businesses with the potential to scale, export and become Invest NI clients. During 2025-26 our teams across the regions helped on-board 250 new clients to Invest NI.

Our Western Regional Office was excited to see one of its client companies appear on Season 23 of Dragons' Den. Laura Murphy, founder and CEO of Omagh-based Oatco Superfuel, pitched to the Dragons and received three investment offers, finally accepting an offer from seasoned entrepreneur and investor Steven Bartlett. She has also recently been named in the prestigious Forbes "30 Under 30" list, recognising her as one of Europe's most influential young businesspeople.

Founded in May 2024, Laura has worked with our Consumer Insights team since the start, learning about trends, potential markets, accessing data and attending events. The company also got to trial a new product through our Growth Through Insights programme to get clarity on the product's market, branding and consumer feedback. Laura is also currently participating in our Ambition to Grow programme to explore new markets and strengthen export potential.

Our relationships and partnerships in the regions have also been a focus this year. Strong, trusted relationships with our stakeholders are central to how we can deliver balanced economic growth across Northern Ireland.

In Autumn last year our Chief Executive and senior leadership team held regional roadshows to engage directly with stakeholders on our work in their area, our strategic direction and regional priorities. These sessions enabled open, two-way conversations with councils, business representative bodies, chambers of commerce and academia, to ensure alignment across our work towards regional balance.

We hosted roundtable discussions in the Western, Southern and North West regions on topics including productivity, skills, and competitiveness and also held a regional board meeting in Ards and North Down Council area, to ensure business and partner perspectives directly inform our work across the regions. These are just a few examples of initiatives we have put in place and partnerships we have developed to help deliver the Minister's Vision of greater regional balance.

In 2025-26, we supported almost 1,300 investments or 59 per cent of total investments outside the Belfast Metropolitan Area (BMA). These regional investments are valued at £359m and have the potential to create over 1,500 new jobs in locations outside the BMA. Despite our best efforts, the percentage of investments delivered outside the BMA (59 per cent) remained at the same level as 2024-25 and we have more work to do to try to reach the very ambitious target of 65 per cent.

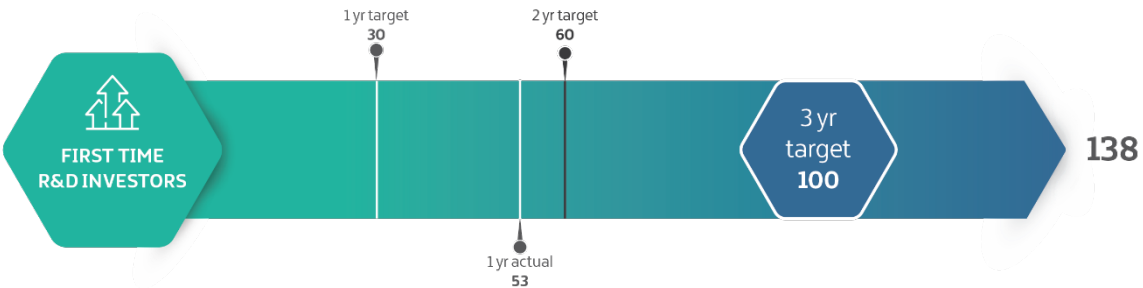
Performance Report

Overview



Accelerating Innovation & Skills

We continue to offer a range of support for businesses to innovate and invest in Research & Development (R&D) with a key focus being to support companies to invest in R&D for the first time. We have set a target of 100 first-time R&D investors over the three years of the strategy and delivered 85 of these investments in 2025-26 against a target of 30. As a result, delivery over the first two years of the strategy (138 investments) means that we have already exceeded the full three-year target for this Key Performance Indicator (KPI). This is an excellent result in a priority area for our strategy.



Our Business Innovation Grant was set up to support micro businesses and SMEs to embrace innovation and boost productivity and competitiveness. We ran two calls for applications in 2025-26 with a total of 87 offers issued with a total grant value of nearly £1.3m.

MyPromoPal Ltd, based in Lisburn, was successful in its Business Innovation Grant application this year. It has used the support to develop an early-stage version of an innovative B2C application for the drinks and hospitality industry. The platform connects drinks brands, bars and consumers through unique, brand-sponsored sampling campaigns and immersive hospitality experiences. The company has now been accepted on to our Founder Labs programme.

We also provide expert advice to businesses to help them protect their innovations. In partnership with The Intellectual Property Office (IPO) we successfully delivered 22 IP Audits to SMEs. Located in every county in Northern Ireland, participating companies came from a wide range of sectors including software, animation, engineering, food and drink, life sciences and renewable energy. These audits successfully increased knowledge and awareness of Intellectual Property in these companies and led to a considerable number of new patent and trademark registrations in the UK and internationally.

Our Grant for R&D provides support to help businesses develop an idea into a successful product, process or service ready for commercialisation.

Cirdan is a pathology company that aims to enhance diagnosis for patients with cancer and other diseases. The company's laboratory information system (LIS) makes patient diagnosis faster and more accurate by improving clinical workflows and reduces costs across the world. Through a £9m R&D investment, supported with a Grant for R&D, the company plans to update its LIS system to

Performance Report

Overview

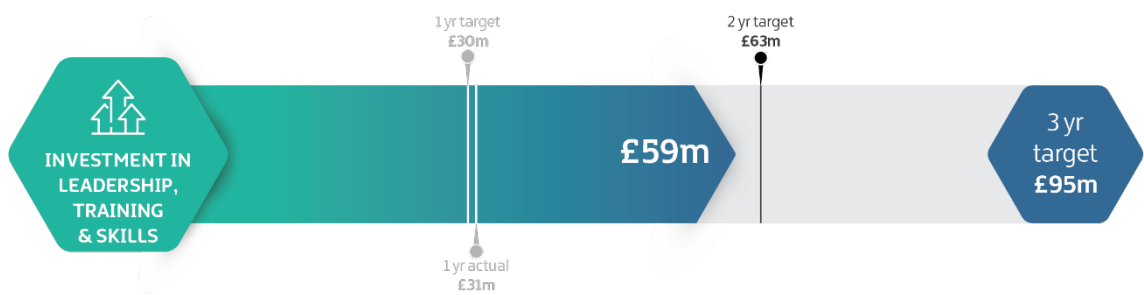
include new features that will differentiate it from its competitors and improve efficiencies. Our R&D support for this project is part funded by the UK Government Shared Prosperity Fund (SPF).

The very strong performance of the organisation in the area of R&D and innovation means that we have delivered a total of 1,516 of these investments over the first two years of the strategy, representing 92 per cent of the full three-year target. Collectively, these investments have a combined value of £366m or approximately 84 per cent of the final strategy target of £435m. The importance of more companies in NI undertaking R&D and innovation projects cannot be understated given the key role they play in new product and process development, revenue generation and profitability.



Alongside its R&D investment, Cirdan is also investing a further £3.8m in the skills of its workforce and creating 72 new jobs to expand its sales and technical onboarding team. Alongside our R&D Grant, we provided skills support through a Skills Development Grant and assistance towards 10 of the new jobs. We also supported companies such as Norbev, SJC Hutchinson, Magellan Aerospace and Foyle Group to develop and enhance the skills of their teams.

Investment in leadership development, training and skills is vital if our clients are to enhance the capabilities and productivity of their employees and we have set a target of 475 investments with a value of £95m over the life of the strategy. To date, we have made excellent progress on the delivery of the individual investments with 419 (or 88 per cent) of the three-year target already achieved, but we are slightly behind on the value measure at £59m versus a two-year target of £63m.



Performance Report

Overview

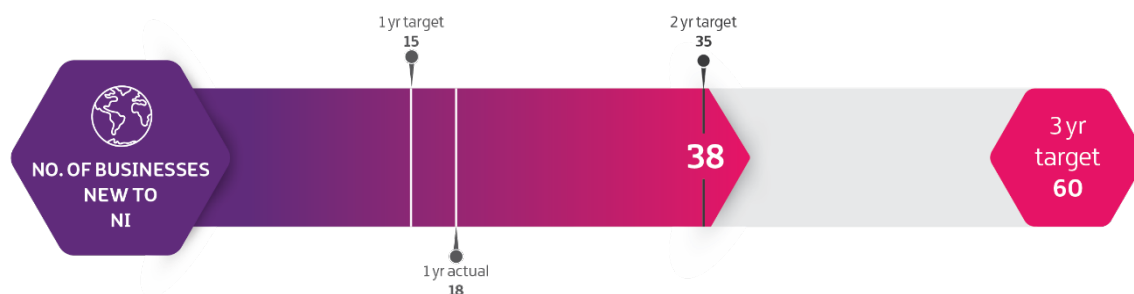
During 2025-26, our Cluster Acceleration Programme (CAP) facilitated study visits for several of our industry clusters to Bilbao, Japan and Liverpool to gain practical insights from other leading cluster ecosystems. We also delivered a Cluster Business Model Training Programme led by internationally recognised experts in cluster and ecosystem strategy to strengthen the capability to design, lead and scale high-performing clusters here in Northern Ireland.

Through the Shared Island Enterprise Scheme, we worked closely with Enterprise Ireland and InterTrade Ireland to host the 28th TCI Global Conference in Dublin in October 2025. Over 300 delegates attended the conference, including world-leading cluster experts, policymakers, academics and business leaders. The event highlighted the growing importance of clustering as a tool for economic transformation and reinforced Northern Ireland's position as an active contributor to international best practice in cluster development.

Alongside the conference, we organised cluster visits and activities for delegates to highlight Northern Ireland's strengths in Maritime, Advanced Manufacturing, Cyber Security, and Life and Health Sciences. These visits enabled direct engagement with global cluster leaders, policymakers and investors, strengthened Northern Ireland's international profile, and reinforced the role of clusters as engines of innovation, skills development and export-led growth.

Driving Global Ambition

Attracting new inward investment to Northern Ireland is a process that can take several years to come to fruition. The global trend towards fewer, less job intensive, but higher value contestable investment projects is continuing. In total, we secured 20 new investors for Northern Ireland in 2025-26 and are on track to achieve the full three-year target of 60 investments.



Our in-market teams play a crucial role in identifying and scoping potential investment projects and pitching to potential investors. The importance of this relationship building and advisory role came to the fore when Bank of America announced its commitment to create up to 1,000 new jobs here. Our US and NI teams worked behind the scenes to provide information on NI as a location, introduce the company to stakeholders and showcase Northern Ireland's proven capabilities in financial services. We have also provided advice and introductions to help ensure the company's establishment and ramp-up here goes smoothly.

Events like The Open golf tournament also provided a great opportunity to showcase Northern Ireland. Last year we hosted 12 prospective new investors at the event, which helped to generate investments from Biller Genie and iReel, with discussions ongoing about other potential investments and expansions. Australian sports technology company iReel chose NI for its new global HQ. Working specifically on Agentic AI to transform how clubs, leagues and data companies use their performance data, the project will create 23 highly skilled jobs. In addition to attracting new inward investment, we also supported 22 reinvestments from existing international clients including Cattle Eye, Axis Bioservices and Deloitte.

Performance Report

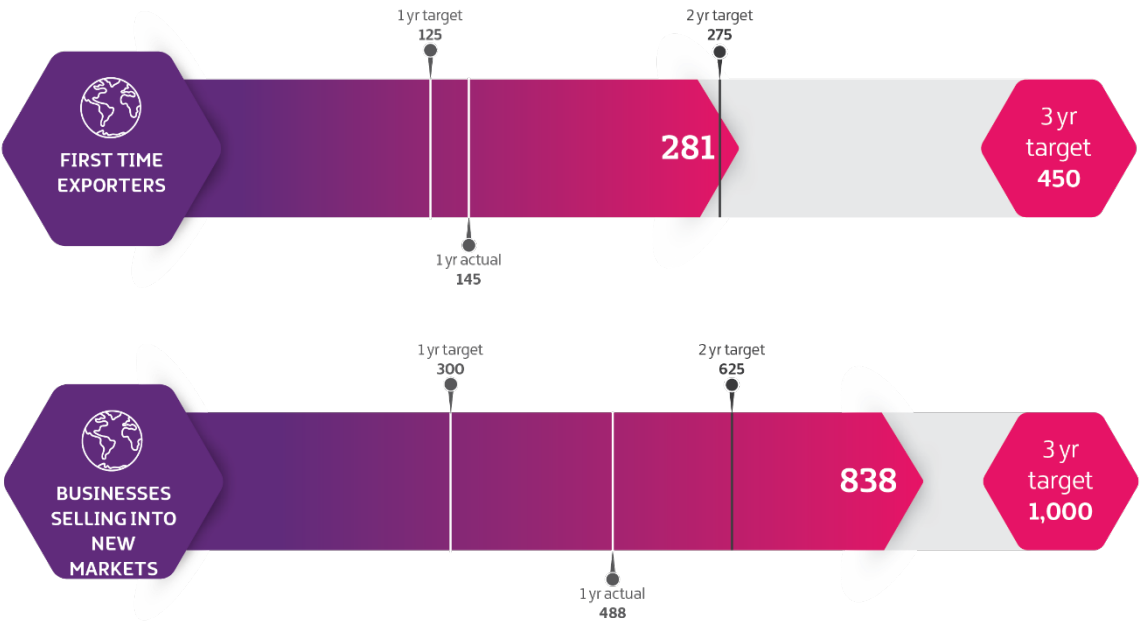
Overview

During 2025-26, Deloitte committed to a major reinvestment in Northern Ireland. In May 2025, following strong competition from other Deloitte locations, the company announced plans to create 500 jobs in a new flagship technology centre in Belfast, underlining Deloitte’s commitment to Northern Ireland. This investment by Deloitte highlighted the value of our long-standing partnership with the company and the firm credited its participation on our leadership development programme with helping to secure the project.

Helping local companies to internationalise their business is a core part of our work. Our Trade team works closely with businesses to help them achieve growth through business development in markets outside Northern Ireland. In 2025-26 we delivered 26 trade missions and exhibitions, and seven cohorts of trade capability programmes including Going Dutch, Grow Beyond, Graduate to Export and the International Sales Leadership Programme. This activity supported 352 companies to explore and develop export sales.

In 2025, we launched Go Global, a new programme to help SMEs to sell beyond Great Britain and Ireland, focussing initially on European markets, leveraging strong partnerships and the unique trading advantages of dual market access. The programme combines expert-led training, in-market research and tailored partner matching. Eight companies were selected for the first cohort: Wild Atlantic Distillery, Shnuggle, Bellamoon, The Oil Market Journal, Rademon Estate Distillery, Arcus Cleaning Systems, Unitas Software and Samuel Lamont.

We have set a target of 450 client companies to export for the first time and have supported 281 over that last two years, surpassing our two-year target of 275. At present, we have achieved 62 per cent of the full three-year target of 450 first time exporters and have also made excellent progress in assisting companies to sell into new markets. On this measure, we are well ahead of the two-year target with 838 clients supported versus a target of 625 and have already achieved 84 per cent of the full three-year target. Assisting more of our clients to secure external sales and to export to international markets is a key part of our strategy, given the strong correlation between exporting activity and higher productivity, capital intensity and wages and increased propensity to undertake R&D and innovation.



Performance Report

Overview

In the past year, we supported McCloskey International, a manufacturer of mobile crushing, screening, stacking, and washing equipment, based in Tyrone, to enter the Saudi Arabian market for the first time. Through introductions, support and guidance from our International Trade Advisors and our office in Dubai, they appointed a new distributor and secured an initial £1.45m order for six machines.

Similarly, we assisted the Wild Atlantic Distillery based in Castlederg to secure a listing with the Liquor Control Board of Ontario (LCBO), the second largest retail drinks supplier in the world. This was a result of trade support and intensive collaborative work across Invest NI and Bord Bia, including market access, introductions, and buyer meetings. The company has also doubled the amount of whiskey it can produce each month by purchasing new equipment with our support:

“With Invest NI’s support we’ve taken a bold step forward in our whiskey journey. Its support helped us to purchase new equipment, including a Stil, which has doubled our production capacity. Working with its Trade Team has helped us to showcase our craft on the world stage and take our products to new overseas markets.” Jim, Nash, Director/Co-Founder, Wild Atlantic Distillery

Developing and Achieving Sustainability

Another of the priority areas of the Shared Island Enterprise Scheme is sustainability and innovation investment. The €20 million Shared Island Sustainability Capital Grant scheme is providing financial support to help businesses implement cutting-edge technologies and innovative solutions that will help decarbonise industrial processes, strengthen sustainable growth, and support high-quality job creation across the island of Ireland.

Three NI companies, all based in Mid Ulster – O&S Doors, Capper Trading and Cemcor – are among six businesses across the island of Ireland to receive funding under this scheme. Subject to planning, O&S Doors will invest £9m to install a biomass-fuelled Combined Heat and Power (CHP) system to turn Medium Density Fibreboard (MDF) dust into power for its heating and manufacturing processes.

Our team continues to assess and award grants through the hugely successful Energy Efficiency Capital Grant programme. Over £13m of investment will be made in energy improvements by 133 businesses following assistance offered this year. Also, our Resource Efficiency Capital Grant has supported 29 investments this year contributing to a total investment of over £4m.

We have set a target of £200m of investment in low carbon and green economy investments and have currently delivered £173m of investment against a two-year target of £170m and have already secured 87 per cent of our full three-year target.



Significantly, 75 per cent of the investments made in 2025-26 to help companies develop and achieve sustainability were located outside the BMA.

Performance Report

Overview

Maximising City & Growth Deals

We continue to work with the different City & Growth Deal partners on their major investment projects, providing advice and overseeing delivery to ensure they are commercially focused and relevant. We are the Investment Decision Maker (IDM) for close to £700m of City & Growth Deal Projects.

The first Innovation project under the Causeway Coast & Glens Deal was approved in October 2025. The £22m Ulster University led Centre for Food & Drug Discovery (CFDD) will work with businesses on research and development that will shape health, nutrition and pharmaceuticals. Also, in November 2025 the contract for funding was signed for Ulster University's £39m Cognitive Analytics & Digital Robotics Innovation Centre (CADRIC). It is a cornerstone innovation project under the Derry City and Strabane District Council City Deal.

Construction completed on Queen's University's £98m Advanced Manufacturing Innovation Centre (AMIC) at Global Point, part of the Belfast Region City Deal. The Centre is already supporting our work to promote NI for inward investment and is working with our clients to support advanced manufacturing R&D. For example, Angoka is investing £1.8m to develop a cyber security solution to protect manufacturing businesses from the threat of cyber-attacks. It is developing this new solution with the help of AMIC. Our support for this project is part-funded by the UK Government Shared Prosperity Fund (SPF). Collectively, the various City & Growth Deal projects will strengthen Northern Ireland's overall attractiveness for investment and support further development of the industrial base.

Conclusion

To deliver the results outlined above, we offered £126m of assistance, up 44 per cent on last year, to over 1,400 businesses to undertake more than 2,000 individual investments. As a result of this support, £764m will be invested in our economy with the potential to create over 4,300 new jobs, a 45 per cent increase on last year. 59 per cent of the investments, and 36 per cent of the associated jobs are located outside the Belfast Metropolitan Area or are in projects that have the potential to impact all of NI.

Invest NI has made significant progress in the first two years of its strategy and our performance in 2025-26 has placed the organisation in a very strong position to achieve the full three-year targets set out in our strategy. As with every public body, we are facing budgetary challenges. As it stands right now, we have received a contingency allocation to continue to support both local businesses and international investors. We can still deliver good outcomes with the funds we have available as we move into the final year of our current Business Strategy. As always, even in the context of a constrained financial position, our targets are the minimum of what we hope to achieve, and we will make every effort to deliver the best return possible for the public funds we are allocated.

Performance Report

Overview

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 the BSDL Group, which is further disclosed in note 10 to the accounts.

Invest NI also owns the entire ordinary Share Capital of Northern Ireland Co-Operation Limited (NI-CO). On 29 August 2024 NI-CO entered into a Members Voluntary Liquidation (MVL), at which point operational control of NI-CO transferred to the liquidator, which now holds statutory responsibility for managing the company's remaining assets and liabilities and for progressing the orderly wind down of the company. As Invest NI no longer has the power to control NI-CO's activities, the company has been de-consolidated from the Invest NI Group Accounts from the date of liquidation. The NI-CO results are therefore included in the group accounts in the comparative 2024-25 year only for the period from 01 April 2024 to 29 August 2024. The liquidation remains ongoing.

The information relating to the NI-CO cessation of trading and subsequent liquidation are outlined on page 62.

Key issues and risks

In order to achieve its objectives, Invest NI must embrace risk to a greater extent than the majority of public sector organisations. The Risk Appetite Statement approved by the Invest NI Board in February 2024 recognises the need to take a systemic approach to the identification and articulation of those risks that could have a significant impact on our business, results and financial position.

In terms of the environment in which Invest NI operated during 2025-26, the organisation's ability to plan and deliver continued to be impacted by budget constraints and the absence of a multi-year budget. We continue to identify and maximise alternative funding streams alongside ongoing engagement with DfE on the funding required to deliver our Business Strategy. We reported a key risk last year relating to uncertainty as a result of change at senior levels. The recruitment of C-Suite executives was completed during the year and the new structure effectively embedded within the organisation. Considerable work was undertaken to minimise disruption or uncertainty relating to that change.

Performance Report

Overview

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:

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

Further details about these risks, including their potential impact and the strategies adopted by the group to mitigate them, can be found on page 28, while further information on the group’s risk management process through our risk and control framework is at page 63.

Performance Report

Performance Analysis

2025-26 Targets and Achievements

Invest NI's Business Strategy, Our Future in Focus, outlines our key strategic objectives and supporting metrics for the three-year period 2024-25 to 2026-27.

Our Strategic Target Framework

The Strategic Target Framework brings together key targets focused on: (i) client performance (measured 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 benefit for our clients and by extension the maximum impact on the wider NI economy, through our day-to-day activity.

Our Client Survey - Client Performance Indicators (CPIs): latest available outcome (2025)

Across 2025 we continued to track the performance of our clients. In line with our strategic aim, through 2024 and 2025 we have been broadening our client base, identifying and onboarding additional businesses from across NI with the growth potential to work with us. Our current CPI portfolio¹ now comprises 2,388 companies, employing 149,217 people, with annual sales of £34.4 billion and exports of £11.9 billion.

The number of clients in our portfolio has increased from 1,428 in 2023 to 2,388 in 2025. Whilst this demonstrates a very positive response to our aim to increase our portfolio and will allow a much clearer view of our overall impact, the change is material and impacts our ability to compare and track performance over time. 2024 is now effectively a new baseline year for our expanded approach, and care should be taken when analysing performance with years prior to 2024.

In our CPI survey each year we measure the performance of our clients across employment, sales, exports, external sales and R&D spend. More recently, we have also added an additional value-added metric, which acts as a productivity proxy measure. Our CPIs therefore provide a measure and indicator of the impact of our work and engagement with clients 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	2021 Outcome	2022 Outcome	2023 Outcome	2024 ² Outcome (restated)	2025 Outcome
Employment (FTE)	129,949	134,702	129,337	148,598	149,217
Sales (£bn)	22.8	26.6	28.2	32.0	34.4
External Sales (£bn)	17.7	20.9	22.2	24.8	26.4
Exports (£bn)	7.8	9.2	10.0	11.2	11.9
Business Expenditure on R&D (£bn)	0.5	0.5	0.6	0.7	0.8
Sales per Employee (£)	175,573	197,823	218,080	215,199	230,304

¹ Not all Clients are included in the CPI portfolio. For example, new business founded within the past 18 months.

² 2024 & 2025 data was collected from a broader range of clients and are therefore not comparable to previous years' data.

Performance Report

Performance Analysis

In line with our Business Strategy, we track the overall FTE employment in our Client Company portfolio, rather than additional jobs, which was the methodology used in previous strategies.

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. Overall, we have delivered strongly against the two-year targets (an aggregation of 2024-25 and 2025-26 annual targets) outlined in our 2024-26 Business Plan, with most measures achieved or ahead of profile.

We have achieved or exceed 48 (86%) of the 56 overall 2 Year targets contained within the Business Plan. The remaining 8 targets (14%) will require corrective action, across 2026-27 to mitigate the shortfall against the three-year Business Strategy 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		24/25 Target	25/26 Target	2 Year Bus Plan Target	Outturn @ 31st Mar 26	3 Year Target	3 Year Balance	Categorisation <i>(Green / Amber / Red)</i>
Boosting Business Investment	Productive Investment & Good Jobs								
	1. Support Investments in Locally-Owned Companies 'Expanding in NI'	No of Investments	175	200	375	450	600	150	●
		Investment (£m)	£85m	£95m	£180m	£357m	£310m	£-47m	●
		No of New Jobs	1,100	1,050	2,150	2,949	3,500	551	●
	2. Includes: Supporting Investments in Companies Productive Capacity (Agri-Food Investment Initiative)	No of Investments	2	12	14	16	30	14	●
		Investment (£m)	£6m	£128M	£134M	£118m	£250m	£132m	●
	3. Support Access to Finance Growth Investments in Local Companies	No of Investments	90	90	180	317	270	-47	●
		Investment (£m)	£45m	£45M	£90m	£149m	£135M	£-14m	●
	Entrepreneurship & Enterprise								
	4. Support Investments in Locally-Owned Companies 'New to NI'	No of Investments	140	150	290	278	450	172	●
Investment (£m)		£30m	£35m	£65m	£85m	£110m	£25m	●	
No of New Jobs		500	500	1,000	982	1,600	618	●	
5. Support Innovation Driven Start-ups (External & Local)	No. of IDSU's	15	20	35	45	60	15	●	
Accelerating Innovation & Skills	Innovation Research & Development								
	6. Support Companies to undertake a R&D investment	No of Investments	60	75	135	295	225	-70	●
		Investment (£m)	£150m	£125M	£275m	£332m	£400m	£68m	●
	7. Includes: Supporting Companies to invest in R&D for the 'First Time'	No of Investments	30	30	60	138	100	-38	●
	8. Support Businesses to Invest in Innovation and Digitalisation	No of Investments	450	475	925	1221	1,425	204	●
		Investment (£m)	£10m	£12m	£22m	£35m	£35m	0	●
	Leadership, Training & Skills								
	9. Support Companies to invest in 'Leadership, Training and Skills Development'	No of Investments	155	160	315	419	475	56	●
		Investment (£m)	£30M	£33m	£63M	59	£95m	£36m	●
Driving Global Ambition	External Sales & FDI								
	10. Support Business Investments in 'Developing Overseas Sales Capability'	No of Investments	200	225	425	643	675	32	●
		Investment (£m)	£2m	£2.2m	£4.2m	7	£6.5m	£-0.5m	●
	11. Support Investments in Externally-Owned Companies that are 'New to NI'	No of Investments	15	20	35	38	60	22	●
		Investment (£m)	£43m	£40m	£83m	£121m	£153m	32	●
		No of New Jobs	900	900	1,800	1,286	2,900	1,614	●
	12. Support Investments by Externally-Owned Companies that are 'Expanding in NI'	No of Investments	15	20	35	36	60	24	●
		Investment (£m)	£118m	£52m	£169m	£221m	£230m	£9m	●
		No of New Jobs	500	850	1,350	2,051	2,000	-51	●
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	601	575	-26	●
		Investment (£m)	£7m	£9m	£16m	37	£26m	£-11M	●
	14. Support Companies to invest in growth in the 'Low Carbon and Green Economy'	No of Investments	40	50	90	126	150	24	●
Investment (£m)		£145m	£25m	£170m	£173m	£200m	27	●	

Key



Target on course to be achieved.



Target behind profile, but retrievable with corrective action.



Target behind profile, not retrievable.

*Difference in table totals may arise as a result of rounding

Performance Commentary

Performance across Year 2 (2025-2026) of our two-year Business Plan has remained strong, despite a more constrained budget position than in Year 1. Throughout the year we focused on prioritising activity to maximise strategic impact, actively managing our pipeline, maintaining delivery momentum and fully leveraging our non-financial support in the areas most critical to our Business Strategy. This allowed us to boost target outputs, whilst optimising available budget.

Performance Report

Performance Analysis

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

- Our Access to Finance programme helps clients secure the right funding to invest and scale, bridging finance gaps through tailored solutions. Over the 2024-26 Business Plan period the programme has exceeded the in-year targets and has already achieved the overall three-year strategy targets for both the number and value of investments.
- Continued Foreign Direct Investment (FDI) volatility during 2025-26 required a balanced approach by working closely with investors to maximise outcomes. External expansion projects performed strongly over 2025-26, with the three-year target for jobs achieved within the 2024-26 Business Plan period.
- All of the two-year targets for the Innovation, Research and Development Driver were exceeded, demonstrating consistent efforts to identify and support appropriate client investments. This was complemented by ongoing program improvements designed to expand accessibility and attract a broader range of companies.
- Despite the delay of two planned major green economy projects, the two years targets for Net Zero and Green Economy were exceeded. Demand for the Energy Efficiency Capital Grant programme remained strong during 2025-26, with three-year targets for this scheme achieved within the first two years, supporting sustained investment in energy and resource efficiency. NI businesses clearly see the potential productivity, profitability and competitiveness benefits of investing in this important area. 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.

Through a number of mitigation actions, we were able to successfully minimise delivery impacts from budgetary constraints on our overall 2025-26 performance. By focusing on strategic volume interventions, utilising alternative funding sources, and optimising non-financial support we were able to optimise overall investments, investment value and new jobs. However, some individual areas of underperformance remained:

- Agri-Food Investment Initiative – Whilst we met the number of investments target, the overall investment value was down on projections due to the mix of investments supported.
- Locally-Owned Businesses New to Invest NI – A delay in achieving approvals for our Ambition to Grow programme resulted in a reduced number of supported businesses and a shortfall on the target for the number of new supported jobs.
- Leadership Training and Skills Investment – The average size of investment by client businesses on skills projects declined compared with previous years. As such, whilst we achieved the number of investments, the total investment value was down against target.
- Jobs in Externally Owned Businesses New to NI – Globally, inward investment projects are, on average, reducing in scale. This has reduced the average number of jobs per investment. We purposefully pivoted to maximise job performance through other categories, particularly local and external expansions, to mitigate this impact in our overall job numbers. This trend to smaller on average inward investment projects, in terms of job numbers, will continue into the longer term.

Performance Report

Performance Analysis

Throughout 2025-26, significant effort has been made to stimulate and strengthen our future Work in Progress (WIP) pipeline. As we move forward to deliver Year 3 (2026-27) of our Business Strategy, WIP levels remain strong across all regions and types of investment and business size. However, delayed budget availability may create a challenge in the delivery against strategic target priorities in 2026/27 and will likely result in a delay in some planned investments.

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 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 2025-2026 has been accurately stated and represents a true and fair view of activity for the period.

Conclusion

Overall, performance in 2025-26 was 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 2026-27 and beyond.

Risk Profile

In order to achieve its objectives, Invest NI must embrace risk to a greater extent than the majority of public sector organisations. The Risk Appetite Statement approved by the Invest NI Board in February 2024 recognises the need to take a systemic approach to the identification and articulation of those risks that could have a significant impact on our business, results and financial position.

Invest NI’s Risk Management Framework encourages all staff to understand the nature of risk and to accept responsibility for risks in their area of authority. It recognises that risk can rarely be eliminated but that it is necessary to take a proactive approach to identifying and articulating risks, setting out the controls that seek to mitigate those risks and evaluating the mitigated level of risks against the reward to be gained in pursuit of corporate objectives.

In terms of the environment in which Invest NI operated during 2025-26, the organisation’s ability to plan and deliver continued to be impacted by budget constraints and the absence of a multi-year budget. We continue to identify and maximise alternative funding streams alongside ongoing engagement with DfE on the funding required to deliver our Business Strategy. We reported a key risk last year relating to uncertainty as a result of change at senior levels. The recruitment of C-Suite executives was completed during the year and the new structure effectively embedded within the organisation. Considerable work was undertaken to minimise disruption or uncertainty relating to that change.

The following table details a number of key risks that have impacted the organisation during 2025-26 and may have the potential to continue to do so. 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.	Inability to enter into new commitments or implement new programmes despite expending resources to develop plans and strategies.	Engagement with DfE to submit bids and supporting information aligned to DfE Minister’s Economic Mission and other government priorities. Identify and explore options for securing funds from other sources and make best use of those funds.

Performance Report

Performance Analysis

Risk	Potential Impacts	Mitigating Actions
	Invest NI failing to meet targets resulting in delay in economic recovery and growth. Adverse reputational impact. Inability to utilise or bid for additional budget should it become available.	Well established budget management framework and maintenance of accurate financial information and reporting. Ensure organisation is aligned to deliver new initiatives at short notice, in line with strategic objectives, if budget landscape changes. 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.	Ability of NI companies to export or inward investment pipeline hindered by uncertainty caused by macro-economic or geo-political factors. Invest NI's ability to support growth plans hindered by infrastructure constraints, in particular supply of water and wastewater. Failure to meet DfE and NI Executive priorities. Deployment of resources and activities in areas that do not demonstrate economic impact. Insufficient budget and staff resources available to execute Invest NI strategy. Additional resources or structural changes required to deliver against Economic Vision. Reputational damage.	Delivery and monitoring of multi-year strategy with focus on and alignment with the Minister's Economic Vision and four key objectives. Engagement with DfE on available funding and alignment of Business Strategy with the Economic Vision. Development, monitoring and effective oversight of annual Business Plan to ensure delivery against strategy. Ensure allocation of budget and staff resources to priority areas is sufficient to execute against Business Plan. Development of strategies to mitigate external risk factors, such as infrastructure constraints and macro-economic or geopolitical factors. Development of succession planning to ensure effective handover arrangements and transfer of key organisational knowledge.

The Invest NI Board held a workshop in October 2025 to discuss the rollout and communication of the Risk Appetite Statement, in particular the work undertaken to review how risk is identified and articulated through the casework process. The 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.

During 2025-26 the organisation commissioned an external review of its Risk Management Framework, with the subsequent report being presented to the Audit & Risk Assurance Committee at its meeting in February 2026. The review concluded that Invest NI's approach is well developed and broadly consistent with best practice. The report contains a number of recommendations to guide further improvement, which will be taken forward by the Risk & Assurance Team.

Performance Report

Performance Analysis

Business Review

Invest NI Budget outturn

- The net DEL budget outturn for the year was £134.6m against an allocated budget of £135.8m, a 99.1 per cent achievement against target.
- Receipts generated in the year, totalled £26.3m against a target of £22.5m, the variance mainly due to investment exits and a property disposal that completed shortly before year end. 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 £101.1m to £137.3m.

The increase of £36.2m in consolidated net operating expenditure relates to a £0.3m increase in operating income and a £35.5m increase in operating expenditure.

The £0.3m increase in total income for the year, from £4.1m to £4.4m, is mainly due to the following movements:

There was a £0.6m increase in EU income as a final receipt was recognised on the closure of the EU Investment for Growth and Jobs programme, and a £0.2m increase in other programme receipts. These were offset by a decrease in grant clawback income of £0.5m, 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 £36.5m increase in total operating expenditure for the year, from £105.2m to £141.7m, is mainly as a result of the following movements:

Salary costs for the group have increased by £1.5m from £45.3m to £46.8m. Invest NI's average number of permanently employed UK based staff has increased during the year from 554 to 558, driving a cost increase of £0.3m. Invest NI has also paid £2.5m in respect of the Northern Ireland Civil Service (NICS) wide pay award relating to the 2025/26 financial year. These increases were offset by a decrease in overseas salary costs of £0.7m, mainly due to a reduction of 7 in total staff numbers. Whilst Invest NI also accounted for a pay award for overseas staff, this was offset by foreign exchange movements. In the previous financial period Invest NI paid £0.8m in exit packages that have not reoccurred.

Purchases of goods and services has decreased by £0.6m from £23.2m to £22.6m. Within this, programme support costs have seen a net reduction of £0.4m. This includes a reduction of £0.3m on innovation advisory costs and £0.4m in property related expenditure, offset by an increase in costs for website design and project appraisal. There is an increase of £0.2m in subsidiary company costs of servicing contracts. Other notional costs for Internal Audit Services totalled £0.2m last year but, as these costs have moved to a 'hard charge' from 2025-26, they are now included in administration expenses. This additional charge of £0.2m has been offset by savings of £0.4m, resulting in a net reduction of £0.2m in administration expenses.

Depreciation and impairment charges have decreased by £0.4m from £4.4m to £4.0m.

Performance Report

Performance Analysis

There was an increase of £3.6m 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, increased by £32.5m from £30.1m to £61.6m. Grant expenditure increased by £10.8m largely due to increased activity in the areas of innovation support £8.9m and other capital grants £5.3m, offset by a decrease of £0.5m in skills support and £3.2m decrease in other revenue grants. The overall increase in grant expenditure has been offset by a decrease in programme costs of £0.4m, mainly in relation to a decrease in entrepreneurship costs. The share of results of associates accounts for a decrease in expenditure of £3.9m, with a credit of £1.4m this year compared to a £2.5m charge in the prior 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 an increase of £1.9m in profits realised from the disposal of financial assets and PPE, with £2.1m recognised in 2025-26 as compared to £0.2m in the prior year. Finally, there is an increase of £27.6m in respect of fair value movements on Financial Instruments, with an in-year charge of £14.8m, compared to a £12.8m gain last year.

Consolidated Statement of Financial Position

Non-Current Assets including investments at year end were £222.1m, a decrease of £0.4m on 2024-25. This is principally due to the net impact of the following factors:

Property, plant and equipment decreased by £0.4m from £65.5m to £65.9m, as a result of additions of £3.2m, offset by net land and building disposals of £1.7m, depreciation charged of £1.5m, a transfer to assets held for sale of £0.8m, revaluation adjustments of £0.4m and indexation of £0.1m.

Intangible assets increased by £0.7m due to additions of £2.3m which were offset by amortisation charges and revaluations of £1.6m.

Leases capitalised onto the balance sheet as a right-of-use asset have increased by £0.8m due to additions of £1.6m, offset by depreciation charged of £0.8m.

Investments in associates increased by £13.7m from £72.6m to £86.3m reflecting further investment of £27.0m in loan and equity funds offset by an increase in valuation of £1.4m and £14.8m of distributions back to Invest NI.

Investments in financial assets decreased by £15.0m from £62.1m to £47.1m, as a result of repayments and disposals of £2.2m and fair value decreases and ECL charges of £14.6m, offset by additional investment made of £1.8m.

Non-current trade and other receivables have decreased by £0.1m due to amounts transferring to the current asset category.

Total current assets have increased by £1.2m from £43.6m to £44.8m. Included within this movement, cash and cash equivalents have increased by £4.7m, trade and other receivables have decreased by £4.2m of which £4.0m is a decrease in other receivables largely explained by collections from debtors and the reversal of a sale recorded in a prior year. As noted in the PPE commentary above, current assets also included £0.8m of assets held for sale as compared with £0.1m in the prior year.

Total current liabilities have increased by £9.4m from £41.2m to £50.6m. Within this, year-end trade and other payables increased by £2.9m due to timing of payments around year end. The provisions balance of £20.3m at year end is £5.7m more than last year. This includes an increase in grant

Performance Report

Performance Analysis

provisions of £2.1m which relates to activities undertaken by companies up to 31 March 2026, under live letters of offers and activities, but not yet claimed at year end. Finally, a corporation tax liability of £0.6m is included within Invest NI subsidiaries and an increase in short term borrowings of £0.2m is recorded in line with debt amortisation schedules.

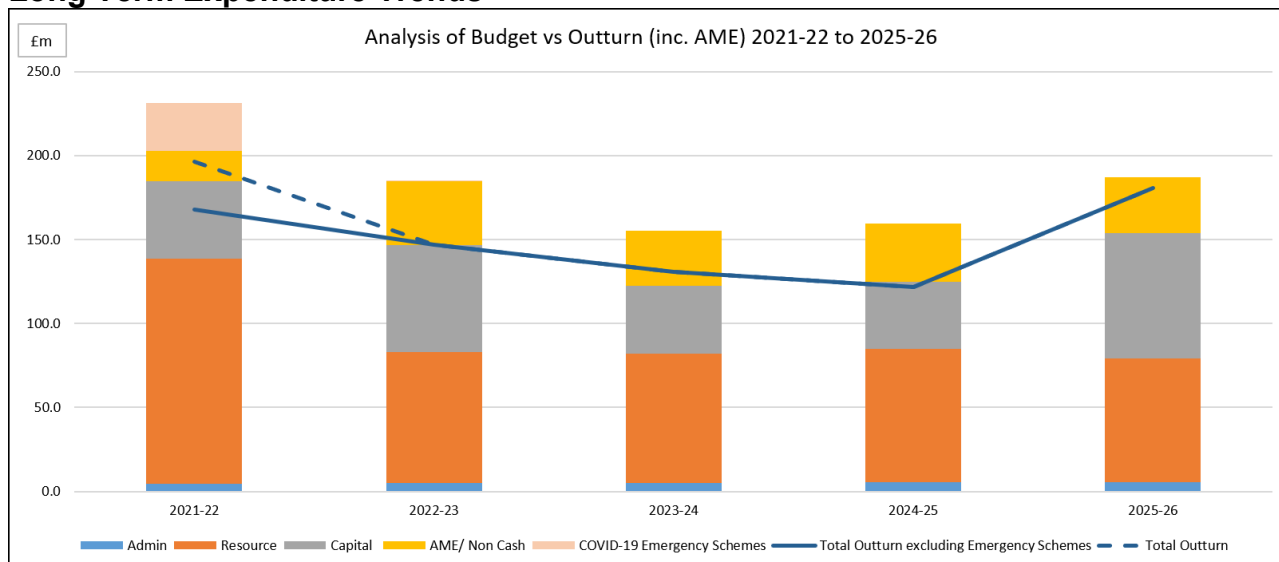
Total non-current liabilities at the year-end were £17.2m, a decrease of £0.2m on the previous year, as a result of repayment of £0.8m of group borrowings, a decrease of £0.2m in the valuation on the interest rate SWAP liability in MRDE and an increase in lease liabilities of £0.8m, as new leases were entered into during the year of £1.6m and offsetting repayments were made.

Total taxpayers' equity decreased by £8.4m from £207.6m to £199.2m. 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 decreased by £0.3m as a result of valuation movements.

The graph below analyses budget outturn across the main spending areas and indicates how this compares with total budget allocation. In 2021-22 and 2022-23, COVID-19 emergency schemes accounted for £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

	2025-26 Budget Outturn £'000	2024-25 Budget Outturn £'000	2023-24 Budget Outturn £'000	2022-23 Budget Outturn £'000	2021-22 Budget Outturn £'000
Total Resource DEL *	83,933	88,794	86,210	86,120	165,600
<i>Of Which:</i>					
Administration	6,125	5,351	4,956	4,315	4,263
Programme – COVID-19	-	-	-	54	28,207
Business Support Schemes	73,627	79,021	77,568	77,981	130,371
Programme – Other					
Non-Cash	4,092	4,422	3,686	3,770	2,759
Total Capital DEL *	77,038	38,691	43,156	58,349	44,800
<i>Of Which:</i>					
Capital Grant	31,396	18,765	25,481	39,511	11,088
Direct Capital	25,479	14,418	11,814	13,962	29,190
Financial Transactions	20,163	5,508	5,861	4,876	4,522
Total AME **	19,569	(5,891)	1,435	2,556	(20,642)
Total Spending	180,540	121,594	130,801	147,025	189,758
Total spending excl. COVID-19 emergency schemes	180,540	121,594	130,801	146,971	161,551
Total Receipts	26,341	13,180	22,239	43,776	67,106
<i>Of Which:</i>					
Resource Receipts	4,876	2,628	3,759	3,148	6,175
Capital Receipts	20,825	10,552	10,914	9,963	31,575
EU Receipts including Recyclables	640	-	7,566	30,665	29,356

* 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 multi- year Business Strategy³, 'Our Future in Focus', sets out our longer-term priorities, objectives and ambitions for the 2024-27 three-year period. It provides a clear framework for focusing our effort and resources to maximise our impact for the NI economy.

Our Strategic Priorities

'Our Future in Focus' sets out six Strategic Priorities which guide our actions and shape how we target support to maximise impact.



Boosting Business Investment – Our businesses' success will ultimately deliver the economic outcomes and benefits we seek. We will continue to support businesses to invest and grow.

Accelerating Innovation and Skills - We will target investment at those areas that deliver the greatest long-term economic impact.

Driving Global Ambition - As a small, open economy, helping our businesses to grow their international sales remains central. We will continue to encourage and provide advice to exporters to enter new markets and deepen sales in existing ones, while also attracting globally competitive firms aligned to Northern Ireland's unique proposition.

Developing and Achieving Sustainability - As important as what we do, is how we do it. We support growth that is sustainable and environmentally responsible, helping businesses improve efficiency, reduce emissions and build resilience.

Maximise City & Growth Deals Impact – We are working closely with the City and Growth deal owners and project promoters to integrate projects into local business ecosystems, strengthening the conditions for regional development and long-term growth and maximising the impact of the c£1.3bn funding across the four deals.

Promoting Places and Partnerships – In an increasingly tight fiscal environment, with multiple policy goals, we must continue to collaborate with partners to optimise support and maximise our

³ [Invest NI Business Strategy - 'Our Future in Focus' - 2024-2027.](#)

Performance Report

Performance Analysis

impact across NI. We will build on solid progress to date to further unlock Northern Ireland’s regional potential.

The Central Thread of Productivity Improvement

Productivity improvement is central to everything Invest NI does. We support businesses to improve how they operate so they can achieve more with the same, or fewer, resources by enhancing products and services, optimising processes, developing their people and improving efficiency. Through embedding innovation across all aspects of business operations, we help firms build competitiveness, resilience and long-term profitability, firmly placing productivity improvement at the core of our client’s development plans.

Budgets - Strategic Ambition meets Economic Reality

In 2025-26, whilst our resource allocation fell short of what was needed to advance our strategic goals and resulted in a shortfall on some individual targets, overall we have performed very strongly against key metrics across the first two years of the strategy.

This was achieved through targeting scarce resources into key areas, focusing on strategic volume interventions, utilising alternative funding sources, and optimising non-financial support to stimulate optimum investment, investment value and new jobs.

At the end of year two of our strategy, we have exceeded the two-year targets for number of productive investments, new jobs and total investment value.



Performance Report

Performance Analysis

In normal circumstances therefore, we would enter Year 3 with momentum expecting strong delivery against our three-year strategy. However, the NI block grant currently faces significant budgetary pressures, and a delay in receiving required budget in 2026-27 may impact the delivery of our 2026-27 plans and ultimately the final year of our Business Strategy.

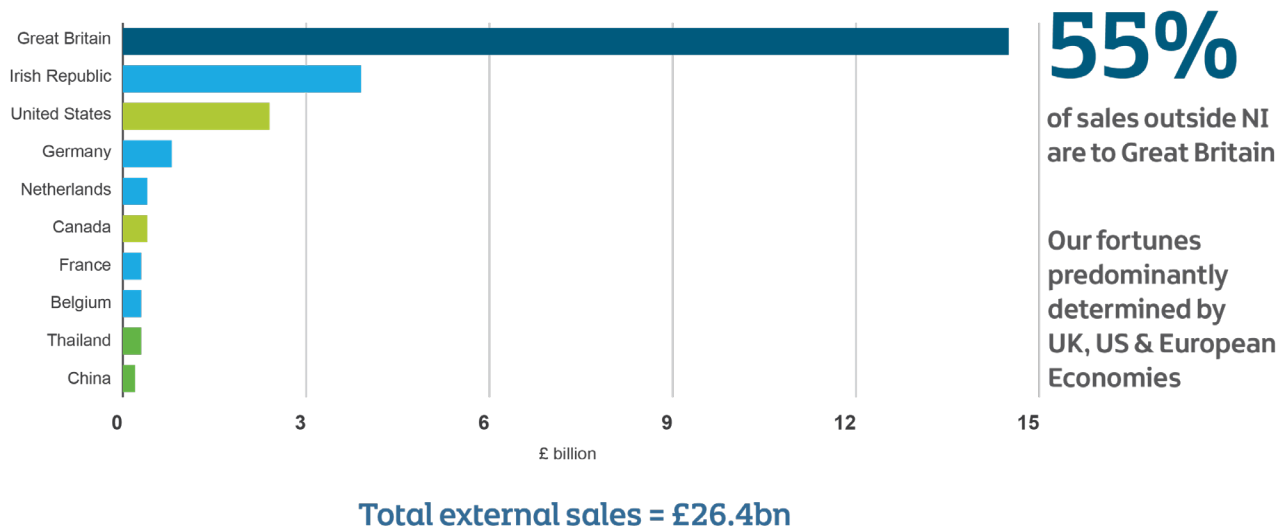
In light of this, while we continue to seek to maximise our block grant and alternative funding sources for 2026-27, we have revisited our 2026/27 plan, considering options to align strategic ambition with budgetary reality. To maximize our performance outputs and impact we will:

- 🌸 prioritise the resources that we have on strategically important areas;
- 🌸 further enhance our use of non-financial support; and,
- 🌸 seek to identify and secure strategic alternative funding sources

Our Place in the World - Economic Dependencies

Identifying, securing and growing external sales remains central to our role and Northern Ireland's future prosperity. NI firms must continue to deepen exports and external sales to drive Private Sector growth and deliver wider economic objectives.

Our performance is closely linked to conditions in our key markets, particularly Great Britain, the Republic of Ireland, the wider EU and the US. The graphic below highlights the concentration of exports and external sales flows across these markets. Given the inter-connected nature of the UK, Irish and EU economies, shocks in any of these markets can quickly transmit to NI. Developments in the US can also have wider spill-over effects through global demand, investment and financial conditions.



Source: Invest NI Client Performance Indicators

To help unlock the full potential of Dual Market Access and respond to emerging global economic challenges, we are developing an International Plan that will strengthen and broaden our international approach, strategically responding to the needs of our current and future clients to enhance export and investment resilience.

Performance Report

Performance Analysis

The Policy Context

The Programme for Government

Invest NI operates within the Northern Ireland Executive's Programme for Government (PfG) 2024-2027, *Our Plan - Doing What Matters Most*.

Throughout the PfG development process, we worked closely with DfE to ensure that our Business Strategy reflected emerging priorities. We will continue to align delivery to the PfG priority to 'Grow a Globally Competitive and Sustainable Economy' and to the PfG wellbeing framework, supporting progress against the associated outcomes and indicators.

The Economy Minister's Economic Vision

The Economy Minister's Economic Vision provides the central policy direction for economic development in Northern Ireland. The Vision is structured around four objectives: Good Jobs, Raising Productivity, Promoting Regional Balance and Reducing Carbon Emissions. These objectives are embedded across our strategic priorities and will underpin delivery throughout the 2024-27 strategy period.

Economy Minister's Vision & Objectives



The Windsor Framework - Exploiting the Opportunities from Dual Market Access

The Invest NI trade programme promotes overseas trade and investment. A key opportunity is the unique position that Northern Ireland has through Dual Market Access (DMA). Over the 2024-26 period, Invest NI has strengthened capability and promotional activity in this area., including the establishment of a dedicated DMA function and enhanced stakeholder engagement. We will continue to work with partners including InterTrade UK (ITUK), the Department for Business and Trade (DBT) and InterTradelreland (ITI), to promote the commercial advantages of DMA and to help businesses navigate the evolving regulatory and trading environment so they can grow exports and build resilience.

We will further strengthen the integration of DMA into Northern Ireland's investment proposition. Our inward investment marketing will continue to emphasise Northern Ireland's unique access to both markets as a clear competitive advantage, helping to attract and secure investment, particularly from the US, RoI and GB markets, supporting businesses to locate, start-up and expand here.

Performance Report

Performance Analysis

Minister's Sub-Regional Economic Plan

The Minister's Sub-Regional Economic Plan represents a significant shift toward a more place-based approach to economic development, with Local Economic Partnerships (LEPs) established across all 11 council areas to drive improvements in regional balance. The Plan is supported by a £45m Regional Balance Fund, to support locally-led action.

DfE and Invest NI have worked closely with councils and LEP partners to support the development of local action plans. This agenda aligns strongly with Invest NI's commitment to strengthening place-based delivery, improving regional balance and ensuring that our interventions respond effectively to the differing needs and opportunities across Northern Ireland.

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 its Equality Scheme. This scheme reinforces Invest NI's commitment to equality and outlines the organisation's plan for 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 and public consultation.

Performance Report

Performance Analysis

The following outlines the actions taken between April 2025 and March 2026:

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
Regional Client Development Programme: Ambition to Grow - supporting women	Rural Businesses	Ambition to Grow - Supporting Women is designed to support businesses to increase employment levels and generate new sales from customers outside Northern Ireland. The scheme will provide grant support to 20 eligible companies and is designed to attract a spread of applications from throughout all areas of Northern Ireland. The programme is therefore 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, Invest NI considered whether people in more remote rural areas would be able to access the service and whether appropriate infrastructure is in place to enable businesses/ dwellers in rural areas to access the service. In both cases we confirmed that currently many rural based people and businesses already successfully access INI support and the regional nature of this programme further enhances this access. We were also able to confirm that it will not cost people in rural areas disproportionately more to access the service whether or not they rely on public transport services. We also considered whether there could be a disproportionate effect on people in rural areas who don't have access to high quality broadband or reliable mobile communications and in mitigation confirmed that we will offer alternative means of access if required. In considering whether there are 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 we confirmed that this programme already aims to enhance economic opportunities.
Innovate NI Programme	Rural Businesses	The Innovate NI Programme is designed to increase the number of Northern Ireland Businesses engaged in innovation. The programme is open to businesses across all of Northern Ireland. Invest NI considered if rural businesses would be able to access online Innovate NI resources, and complete assessments. We confirmed that this requirement is not expected to have a negative impact on rural businesses who don't have access to high quality broadband or reliable mobile communications, and in mitigation confirmed that we will offer alternative means of access, if required.
Proof of Concept Programme	Rural Businesses	The Proof of Concept programme is designed to provide grant funding for the pre-commercialisation of leading-edge technologies emerging from Northern Ireland's universities, Agri-Food and Biosciences Institute and NHS Boards. We confirmed that the delivery, access and outcomes of the programme does not have a disproportionate effect on businesses in rural areas.
Trade Events Policy	Rural Businesses	The Trade Events programme is open to client companies across all of Northern Ireland. The events will take place outside Northern Ireland so will require all participants to travel to airports for onward travel.

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
		Whilst there may be further travel for rural participants, the relative proximity of local airports was considered not to disproportionately disadvantage rural businesses.
Invest NI Food & Drink Consumer Insights Service (FDCI)		The Food & Drink Consumer Insights Service is open to all NI food and drink businesses and provides access to data, inspiration for innovation, awareness of emerging food & drink consumer and retailer trends and capability development. Invest NI considered where Food and Drink companies are located across Northern Ireland and found they are not disproportionately located in Rural areas. The delivery of the FDCI service to Clients is a mix of in-person and on-line meetings. An online Insights Hub is used to deliver the programme content. The service delivery is therefore fully accessible to all businesses throughout NI. We considered whether there could be a disproportionate effect on people in rural areas who don't have access to high quality broadband and in mitigation we will offer alternative means of access if required.
Shared Island Sustainability Programme		The Shared Island Sustainability Programme provides financial assistance to support companies to implement new technologies and processes to increase the use of renewable energy and reduce carbon emissions. The programme aims to benefit all parts of Northern Ireland, including rural areas. It was concluded that there were no disproportionate impacts on rural areas.

Sustainability Report

This Sustainability Report has been prepared in accordance with NI's Sustainability Reporting Guidance 2025-26, which is aligned with HMT sustainability reporting guidance and the Task Force on Climate-related Financial Disclosures (TCFD) recommendations. All information included in this sustainability report conforms to the normal public sector financial year of 1 April to 31 March. As NI's Sustainability Reporting Guidance 2025-26 was issued to NICS departments mid-year, departments and their ALBs were unaware of the information they were expected to collect at the start of the 2025-26 financial year, leading to some omissions in data reporting. As a result, we have been unable to analyse the total expenses reported in table 5 between rail, bus and taxi for the current reporting year.

The organisational boundary used in this sustainability report is Invest NI. i.e. the core organisation and the information disclosed in this report relates to the estate that Invest NI occupies including the environmental impact from buildings rented by Invest NI. In cases where a building is shared by two or more organisations, the data is proportioned by the floor space utilised by the tenant. For example, if an organisation rents 50% of the floor space of a building, Invest NI will report 50% of the emissions associated with that building.

Performance Report

Performance Analysis

DAERA, as the policy holder, will update the NI Sustainability Reporting Guidance 2025–26 guidance over time. Invest NI acts as its own policy administrator, coordinating data collection, assurance and preparation of this report. All data contained in this report has been externally validated.

In order to report the greenhouse gas emissions associated with activities, ‘activity’ data such as distance travelled, or tonnes of waste disposed has been converted into carbon emissions. The greenhouse gas conversion factors used in this report were published by the UK Government and can be found via the following link: [Government conversion factors for company reporting of greenhouse gas emissions - GOV.UK](#)

For 2025-2026 we carried out a review and audit of our Carbon Footprint to assist in setting a clear path to Net Zero for Scope 1, 2 and 3 by 2050, in line with SBTi and GHG Protocols. To support us with this exercise all data was externally validated in accordance with ISO14064-1.

To commence the process we reviewed our operations, including energy usage and carbon consumption throughout our buildings, processes, business travel, waste and paper usage. For the purpose of this report, the baseline and last financial year have been reported. Emissions have been calculated using the Department for Business, Energy, and Industrial Strategy (BEIS) Conversion Factors for company reporting of GHG emissions. This report relates to NI operations and NI based staff, in line with the Climate Change Act (NI) 2002, Section 42 Public Body Reporting Requirements.

Base Financial Year: April 2019 – March 2020

The ESG Steering Group set 2019-2020 as the baseline year for carbon emissions. This was the last complete set of data available for Scope 1 and 2 prior to COVID 19 restrictions. To demonstrate trends in the data, information gathered for 2022-2023, 2023-2024 and 2024-2025 are also included in this report, to analyse performance against the 2025-2026 data.

Reporting Financial Year: April 2025 - March 2026 **Boundary Approach: Financial**

Net Zero Commitment

In 2019 the UK Government amended the Climate Change Act 2008 by introducing a target of a 100% reduction in the net UK carbon account by 2050. This has become commonly known as the ‘Net zero’ target. In line with this, Invest NI is fully committed to playing its part and ensuring that our organisation achieves Net Zero by 2050 or sooner.

Invest NI is committed to developing a science-based target aligned with the SBTi criteria, submit the target to the SBTi for validation and publish our approved targets within a maximum of 24 months. This means that:

- We commit to reducing our Scope 1 & 2 GHG emissions by 50% by 2030 from the Base Year (2019-2020), 75% by 2043 and 100% by 2050.
- Scope 3 emissions are to be reduced by 100% by 2050 or sooner. To achieve this, we commit to measuring and reducing our Scope 3 emissions.

Governance

Invest NI’s climate change mitigation and adaptation is governed through a structured framework led by the Head of ESG, who coordinates activity to collect data from across the organisation’s operations. This data includes Scope 1, Scope 2 and Scope 3 carbon emissions, which are externally validated, ensuring transparency and accountability.

Performance Report

Performance Analysis

A cross-functional Sustainability Working Group reviews the emissions data and develops the organisation's Sustainability Plan. Oversight is provided by the ESG Steering Group, chaired by an ESG Champion (Chief Operating Officer), ensuring strategic alignment with corporate priorities. Progress against the Sustainability Plan is reported to the Executive Committee and the Board twice a year, embedding climate action into senior-level decision-making. Internal review of sustainability activity is reported through the ESG Steering Group, with sign-off provided by the ESG Champion.

We continue to strengthen our sustainability governance practices. An ESG Risk Register has been developed which identifies 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. In addition, the Invest NI Corporate Risk Register now includes the risk that Invest NI fails to meet its statutory obligations under the Climate Change Act. All risks contained within the Corporate risk register are owned and managed by ExCo and reviewed quarterly by the Board Audit & Risk Assurance Committee.

Section 42 of The Climate Change Act (NI) 2022 came into effect in 2025-2026 and placed climate related reporting requirements on a number of public bodies in NI, including Invest NI. During the year the organisation met its requirements by submitting a Climate Change Mitigation Report in October 2025 and a Climate Change Adaptation Report in March 2026.

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 our Chief Operating Officer acting as ESG Champion.

Emissions

This year, we continued our reporting of Scope 1, 2 and 3 carbon emissions in accordance with the Greenhouse Gas (GHG) Reporting Protocol. Energy 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 2019-2020 remains the benchmark for comparison purposes.

Table 1: 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
Total Carbon Footprint		274.82 tCO₂e

Performance Report

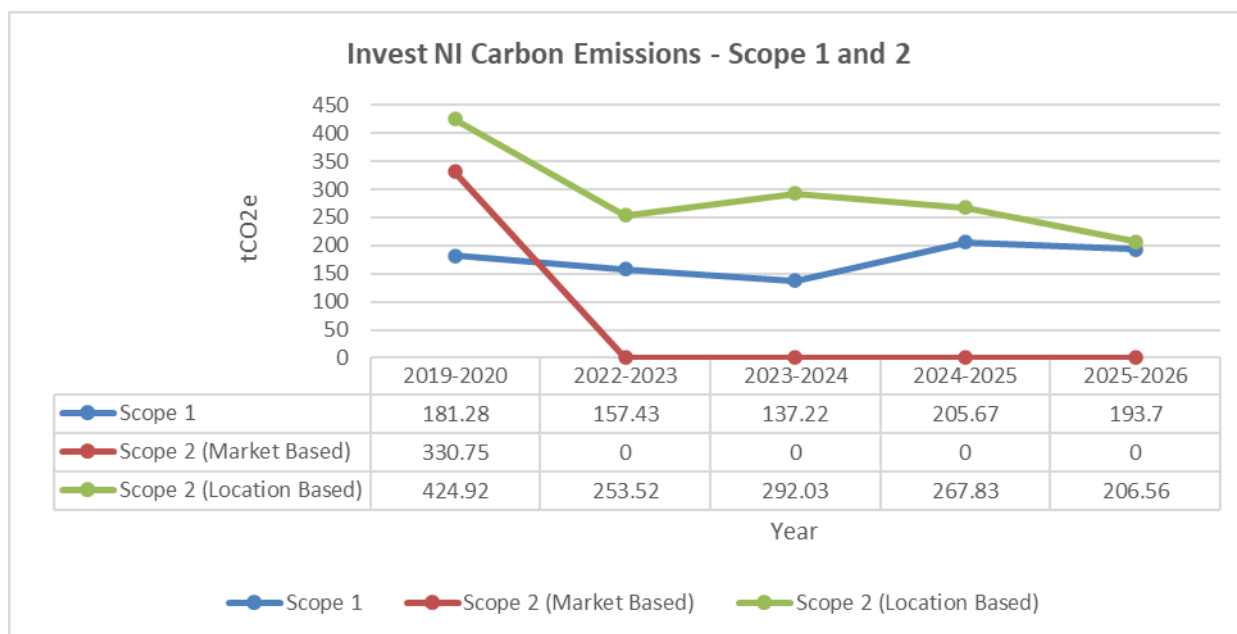
Performance Analysis

Table 2: Carbon Emissions Footprint – Reporting Year – April 2025 – March 2026

Scope 1	Primary Fuel Combustion (on-site)	193.70tCO ₂ e
Scope 2**	Electricity (location)	206.56 tCO ₂ e
	Electricity (market)	(206.56) tCO ₂ e
	Scope 2 Total	0.00 tCO ₂ e
Total Carbon Footprint		193.70tCO₂e

*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.



Following external validation of 2024-2025 figures Scope 1 and Scope 2 (Location based) emission figures have been amended from the originally reported figures of 169.68 tCO₂e and 251.14 tCO₂e to 205.67 tCO₂e and 267.83 tCO₂e respectively.

Table 3: Energy Emissions, consumption and cost of fuel burned and purchased electricity in 2025-2026

	Scope 1 (fuel burned)	Scope 2 (purchased electricity)
Emissions (kg CO ₂ e)	193,702.86	206,561.90
Consumption (kWh Gross CV)	1,058,717	1,167,016
Net Cost (£millions)	£58,302.28	£244,297.75

Figures based on meter readings

Emissions Scope 3

For the third 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 emissions which are not produced by us, but for which we are responsible, as an indirect result of carrying out our operations. We continue to 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.

Performance Report

Performance Analysis

Table 4: Mileage and emissions from vehicles not owned by Invest NI in 2025-2026

Year	Mileage	Kg CO ₂ e
2025-2026	358,251.40	96,423.36

Table 5: Expenses claimed for public transport used for official business travel.

Year	Bus (Cost)	Rail (cost)	Taxi (cost)
2025-2026	£24,799		

Table 6: Business Travel – air and rail travel booked through Travel Partner

Mode of Transport	Category	Class	2025-2026	
			Distance (km)	Emissions (kg CO ₂ e)
Flight	Domestic	Economy	203,012	46,546
	Short haul	Economy	43,989	5,532
	Long haul	Business	20,156	6,840
	International	Economy	223,605	24,408
	International	Business	248,208	78,567
Rail		Standard	38,284 ¹	1,357

1. Estimated figure

Table 7: Business Travel - Hotel stay booked through Travel Partner

Country	No. of nights stayed	Emissions (kg CO ₂ e)
UK	149	1,549.60
London	140	1,610.00
Belgium	7	85.40
Canada	23	170.20
France	36	241.20
Germany	64	844.80
Ireland	115	2,875.00
Italy	1	14.30
Japan	7	273.00
Netherlands	9	133.20
Saudi Arabia	4	425.60
Spain	14	98.00
Switzerland	4	26.40
UAE	7	446.60
USA	47	756.70
Other – Austria, Denmark, Estonia, Poland, Sweden	26	1,047.54

Table 8: Business Travel – Car Hire booked through Selective Travel

Year	Mileage	Emissions (kg CO ₂ e)
2025-2026	861	231.74

Performance Report

Performance Analysis

Paper printed

Table 9: Paper printed by year

Year	Paper printed (pages)	Paper Printed (reams)
2023-2024	726,336	1,453
2024-2025	725,841	1,452
2025-2026	642,881	1,286

As part of our two-year target to reduce printing by 20%, printing volumes in 2025-2026 fell from 725,841 sheets in 2024–2025 to 642,881 sheets. This represents a reduction of 82,960 sheets, equivalent to an 11.43% decrease on the previous year. This reflects strong progress towards our overall two-year printing reduction ambition.

Responsible disposal of ICT waste

In the specification of the “Framework for disposal services for IT equipment, electronic and electrical equipment”, suppliers must have BS EN ISO 14001: 2015 - Environmental Management System accreditation (or equivalent) before being appointed to the framework. All equipment that is not resold must be dismantled and recycled/disposed in accordance with the relevant legislation including, but not limited to:

- the Waste Electrical and Electronic Equipment Directive;
- BS EN ISO 14001: 2015;
- the Environmental Protection Act 1990; and
- the Hazardous Waste Regulations.

Sustainable procurement

The Scoring Social Value policy approved by the Northern Ireland Executive, mandated that from June 2022, tenders for services and works above the threshold must include a minimum of 10 percent of the total award criteria to social value. On 5 December 2024 DoF secured Executive approval for a revised PPN (Procurement Policy Note) 01/21 - Social Value in Procurement. This came into effect on 24 February 2025 and strengthened and broadened the theme ‘Delivering Net Zero’ to ‘Delivering Climate Action’.

For information on the meaning of Social Value: the Public Procurement Policy Statement which was approved by the NI Executive on the 5th of June 2025 states “Social Value means economic, environmental and social benefits in support of the Programme for Government”. The DoF Social Value Strategy document 2025-2027 states, “Social Value refers to wider financial and non-financial impacts on the wellbeing of individuals, communities and the environment. It incorporates ethical and sustainable supply chains, community benefits and wealth building, job and skills creation and efforts to combat climate change”.

The Procurement Policy Note (PPN) 01/21 – Scoring Social Value has been revised to Procurement Policy Note (PPN) 01/21 - Social Value in Procurement and came into effect on 24 February 2025.

In following the policy and guidance, we have embedded sustainable procurement into our processes by applying social value and climate action criteria in tendering, ensuring suppliers demonstrably contribute to wider economic, social and environmental outcomes.

Single use plastics

DAERA, in partnership with DoF, has removed all unnecessary single-use plastic (SUP) from the Government estate and a ban on the use of unnecessary SUP across the Northern Ireland Civil Service (NICS) estate, is now in place. An action on Invest NI’s Sustainability Plan for 2026-2027 is

Performance Report

Performance Analysis

to carry out an audit of single use plastic across our operations. Completion of the audit will identify any necessary remaining SUPs and identify mitigations to be implemented.

Recycled Waste

Table 10: Total weight of recycled waste

2025-2026	Waste recycled (tonnes)
Total waste recycled	15.92
Waste composted / food waste	1.00
Waste incinerated with energy recovery	4.71
Waste incinerated without energy recovery	N/A

Water Consumed

Table 11: Water consumed

Year		Water used (cubic metres)	Emissions (kg CO2e)
2025-2026	Water Supply	1,008	172.34
	Water Treatment	957	183.16

Education and awareness raising remains a core element of our ESG activity. In the previous reporting year, 34 members of the Executive Committee and senior leaders completed Carbon Literacy training accredited through the Carbon Literacy Project. This was complemented by the roll-out of ESG and carbon awareness training modules to all staff. Building on this foundation, carbon awareness training is now embedded within the induction process for all new staff, ensuring sustainability principles are understood from the outset and supporting the long-term integration of ESG into our organisational culture.

Invest NI's Property Solutions Unit (PSU) proactively manages biodiversity across our business parks through a combination of planned and reactive maintenance programmes, and by ensuring biodiversity considerations are embedded at the design and planning stage of all new development projects. During the year, we partnered with the Woodland Trust to identify areas of land across our business parks that are unsuitable for development and could be repurposed to support nature and biodiversity initiatives. As a pilot of this partnership, 4,000 native trees were planted across 6 acres of land at Wattstown Industrial Park in Coleraine. This initiative contributes to both climate mitigation and adaptation objectives by enhancing natural habitats and supporting carbon sequestration. We intend to build on this partnership with the Woodland Trust in the coming years.

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

Invest NI is supporting the delivery of the energy strategy by helping Northern Ireland businesses reduce energy costs and build resilience through green efficiencies by supporting 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.

Performance Report

Performance Analysis

Learning & Organisational Development

During 2025-26, Learning & Organisational Development continued to support delivery of Invest NI's ESG commitments by strengthening colleague capability, reinforcing inclusive behaviours and supporting consistent, values-led practice across the organisation. Building on the Carbon Literacy and ESG learning introduced in the previous year, our focus in 2025-26 was on embedding learning into everyday decision-making through practical resources, manager development and a year-round programme of corporate responsibility learning and awareness activity aligned to inclusion and wellbeing.

In 2025-26 we also focused on strengthening fairness, transparency and inclusive ways of working through a suite of mandatory learning. Our *Records Management (Invest NI)* module and refreshed anti-fraud awareness strengthened governance by reinforcing good practice in information management, compliance and internal controls—supporting the integrity and accountability that underpin effective ESG delivery.

Performance management capability was also a focus during the year, supporting the Governance element of ESG by strengthening accountability, encouraging clear objective-setting and evidence-based review, and promoting consistent and fair people management practice across teams.

Learning & Organisational Development also supported ESG delivery by planning and coordinating a year-round programme of colleague engagement and learning, aligned to clear social outcomes. The physical and mental wellbeing of our staff remains a key focus within our Corporate Responsibility commitment and across the year, L&OD promoted and integrated ESG-relevant Corporate Responsibility campaigns into internal communications and the learning offer, including at least six wellbeing-focused initiatives (Blue Monday, Stress Awareness Month, Mental Health Awareness Week, World Mental Health Day, Men's Health Week and Movember), alongside health promotion through Health Checks and activity-based initiatives such as National Walking Month and Cycle to Work Day.

During the year, we also partnered with Employers for Disability NI to deliver disability-related webinars, including Managing Mental Health in the Workplace.

We supported inclusion-focused activity, including LGBTQ+ History Month and Pride, International Women's Day and Women in Science, and World Menopause Day. This coordinated approach helped normalise conversation on health and inclusion, increased awareness of available supports and learning, and reinforced an engaged workplace culture—key enablers of effective ESG delivery.

Client Facing Workshops continued to be delivered to strengthen client-facing capability and provide timely updates on relevant themes, including those linked to responsible growth and inclusion. The sessions support stronger place-based working, including engagement with Further Education Colleges and guidance that helps maximise opportunities arising from City and Growth Deals. By building confidence and consistency in client engagement, this programme supports Invest NI to influence positive social outcomes through the organisations we support.

Social and Community

Invest NI has supported the work of the Living Wage Foundation and continues to be an accredited Living Wage employer, 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.

Invest NI is a member of the Economy Minister's Social Enterprise Co-design Group and plays a key role in supporting the implementation of the Social Enterprise Action Plan. Delivery of this work is led through designated Social Enterprise Champions across each region, who act as dedicated points of contact for the social enterprise sector. During the year, we also delivered an internal

Performance Report

Performance Analysis

awareness-raising workshop to strengthen staff understanding of the social enterprise model and its contribution to inclusive and sustainable economic growth.

We continued our partnership as a Young Enterprise NI ESG Business Backer, demonstrating our commitment to the next generation of entrepreneurial talent in the region. 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. We hosted the area finals of the Young Enterprise Company of the Year programme in four of our offices, where finalist student companies pitched their business ideas to the judges. Over 100 students took part in this activity across 3 days.

Through our eyewear donation initiative, 515 pairs of glasses and 204 cases have been donated this year and passed to our local Lions Club, helping improve access to essential eyewear in developing countries. These donations also support waste reduction, lower carbon emissions and environmental protection.

Our Employee Connection Groups continue to help colleagues connect, share experiences, raise awareness of key topics and contribute ideas that shape our future Diversity and Inclusion agenda. The Green Scene organised tree planting on Divis, and the STEM network continued to engage with schools by attending events that promote careers in STEM.

Our two-year charity partnership with NI Children's Hospice concluded in March and Cancer Fund for Children has been selected as our new charity partner for the next two years.

More details on Invest NI's employee related policies including employee health and wellbeing, employee engagement and learning and development are provided in the Remuneration and Staff Report at pages 68 to 85.



Kieran Donoghue
Accounting Officer

Date: 7 July 2026

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 2026.

Results

The net expenditure for the year is £139,106,000 (2025: £101,420,000).

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 (term ended 31 March 2026)
Kieran Kennedy (resigned 4 July 2025)
Marie-Therese McGivern (term ended 31 March 2026)
Michael McQuillan (term ended 31 March 2026)
Dominic Darby
Melanie Dawson
Dawn McLaughlin
Ciaran Mulgrew
Patrick O'Gorman
Julie-Ann O'Hare
Scott Ritchie

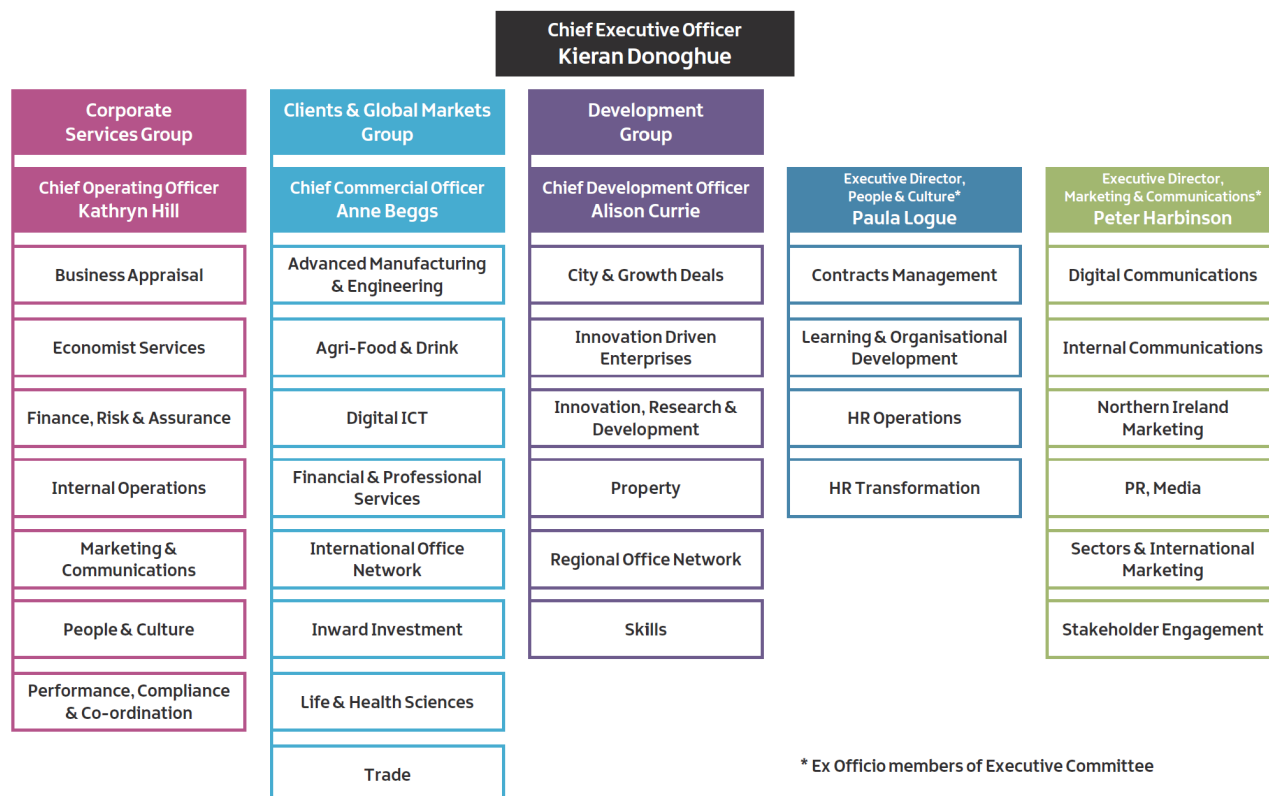
Executive Committee (ExCo)

Kieran Donoghue	Chief Executive
Kathryn Hill	Chief Operating Officer (appointed 19 May 2025)
Anne Beggs	Chief Commercial Officer (appointed 1 May 2025)
Alison Currie	Chief Development Officer (appointed 5 January 2026)
Paula Logue	Executive Director, People & Culture
Peter Harbinson	Executive Director, Marketing & Communications
Ian Maxwell	Executive Director, Finance (Temporary promotion until 30 June 2025)
George McKinney	Executive Director, Business Growth (Temporary promotion until 13 February 2026)
Iain Joannides	Executive Director, Regional Business (Temporary promotion until 29 August 2025)

Accountability Report

Corporate Governance Report

Organisational Structure



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 2025-26 Invest NI paid approximately 97 per cent of invoices (2024-25: 97 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 2025-26 Invest NI paid approximately 93 per cent of invoices (2024-25: 94 per cent) within the ten working day target.

Register of Interests

The Chair, Board members, and the Executive Committee 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 (2024-25: 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.

Accountability Report

Corporate Governance Report

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 five complaints. (For comparison purposes, in 2024-25, two complaints were received).

One complaint related to the pause in applications for our Energy Efficiency Capital Grant, which was necessary due to high levels of demand exceeding funding available. While we issued an apology for any inconvenience caused, the complaint was not upheld, as the reasons for the pause were valid and beyond Invest NI's control.

Following a contact made with our Business Support team, we received a report that the individual was dissatisfied with the call. After listening to a recording of the call the complaint was not upheld. However, a follow up call was made, providing signposting to other relevant assistance.

A request to change a Client Executive was also recorded as a complaint, although no specific details were provided. We were unable to accede to this request due to the company's location; however, our regional team did reach out to the customer to establish if other assistance could be provided.

A complaint was received from a customer in relation to a delay in responding to their request for information, following a decision to dissolve their company. While records showed that Invest NI had sent the correspondence to the company address, this was returned. As further investigation should have taken place following the return, this complaint was upheld and an apology issued, along with the information requested. Procedures were put in place to prevent any such delays occurring in future.

A participant on the Ambition to Grow programme submitted a complaint regarding the mandatory attendance at leadership workshops, citing anxiety in group settings. Several reasonable alternatives have been offered to provide reassurance to the participant. Resolution of the complaint is ongoing.

Accountability Report

Corporate Governance Report

Of the complaints received during this reporting period 100% were responded to within our target of 10 working days (2024-25 100%).

Two cases of negative feedback were also recorded (four in prior year). These related to dissatisfaction with Invest NI communicating the use of AI within its systems in a Privacy Notice email circulated to businesses and concerns about eligibility criteria, following an unsuccessful loan application to the Northern Ireland Small Business Loan Fund. In both cases, responses to the concerns were provided by the relevant teams .

Internal Review

Following our initial response, a 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. Quarterly reports are produced internally and considered by senior management and Board members.

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 Complaints Procedures, available on the Invest NI website.

Accountability Report

Corporate Governance Report

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.

Accountability Report

Corporate Governance Report

Governance Statement

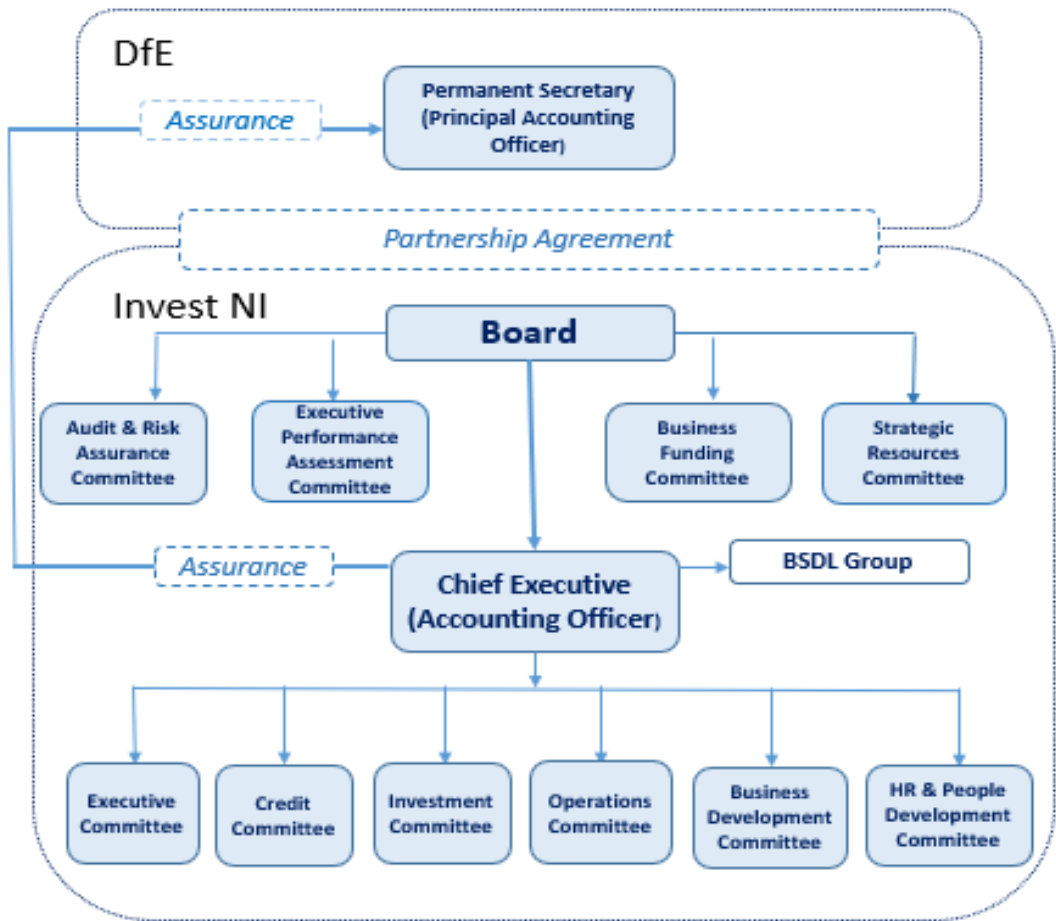
Introduction and scope of responsibility

This Governance Statement sets out the governance structures, risk management and internal control procedures that have operated within Invest NI during the financial year 2025-26 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



Accountability Report

Corporate Governance Report

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 changes to its membership going into 2025-26 the Board consisted of 12 members including the Chair, with Kieran Kennedy subsequently resigning in July 2025. Further information relating to Board members' terms is provided at page 56.

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

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 respective roles and responsibilities of the Chair and Board are set out in the DfE/ Invest NI Partnership Agreement and the Board Governance Operating Framework (approved by the Board in March 2025).

Conflicts of interests

The 'Invest NI Board Governance Operating Framework' (Section 5) reflects the requirements of DAO (DoF) 07/21: 'Guidance on Conflicts of Interest'. Board members are required to declare any actual or perceived conflict of interest related to meeting agenda items or the review of casework. Where a conflict is identified, appropriate arrangements are put in place to ensure that the individual concerned does not participate in related discussions or decision making. These processes operated throughout the year and provided assurance that Board decisions were taken objectively and in accordance with established governance requirements.

It is the responsibility of all Board members to ensure that any interests which may present a conflict are brought to the attention of the Chair and Board Secretariat. A Board Register of Interests is maintained by the Board Secretariat, kept up to date and is publicly available to help provide transparency and promote public confidence in Invest NI.

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. The Board gives priority to maintaining its own effectiveness and capability to discharge its responsibilities. All members receive structured induction covering the structure, vision, values and objectives of the organisation, the governance and financial framework, delegations, assurance and

Accountability Report

Corporate Governance Report

casework responsibilities, supplemented by ongoing development as required. During 2025–26, training was also provided in areas including data protection and information security.

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 the agreed actions has been monitored by the Board, supported by a follow up pulse survey conducted in September 2025.

During 2025-26 the Board met 11 times with an additional Board Workshop session held in Invest NI Headquarters in October 2025.

The Board relies on a range of financial, performance and risk information to support its oversight and decision making. The Chair is responsible for setting the agenda, and an agreed, consistent format of Board papers and reporting is in place to ensure that Board members have all necessary information to fulfil the obligations of the role.

The Invest NI Chief Executive, as Accounting Officer, has ensured that arrangements are in place to provide information that is timely, relevant and subject to appropriate validation and review. Given the scale and complexity of the organisation where data is drawn from a range of systems, including those undergoing further development and integration, there is inherent risk of error or uncertainty. These risks are recognised and are actively managed through established controls, including data validation processes, management review, internal audit coverage and ongoing system improvement programmes.

Having considered the nature of the information provided, the effectiveness of controls and the transparency of known limitations, the data provided to the Board is of sufficient quality and reliability to support informed decision making. The Board will continue to oversee improvements in data quality, management information and digital capability as part of the organisation's wider governance and transformation agenda.

Accountability Report

Corporate Governance Report

Board attendance 2025-26

Name of Board Member	Board Meetings	Attendance per Board Member ¹					Executive Performance Assessment Committee
		Audit & Risk Assurance Committee	Business Funding Committee	Strategic Resources Committee	Regional Partnerships Committee		
John Healy	10 (11)	N/A	N/A	N/A	N/A	2 (2)	
Kieran Kennedy	3 (3)	N/A	N/A	1 (1)	1 (1)	N/A	
Marie-Therese McGivern	10 (11)	N/A	N/A	3 (5)	1 (1)	N/A	
Michael McQuillan	8 (11)	2 (4)	1 (4)	N/A	0 (1)	N/A	
Colin Coffey	7 (11)	0 (4)	2 (4)	N/A	N/A	1 (2)	
Ciaran Mulgrew	10 (11)	4 (4)	N/A	5 (5)	N/A	N/A	
Dawn McLaughlin	11 (11)	4 (4)	N/A	N/A	1 (1)	2 (2)	
Dominic Darby	9 (11)	N/A	4 (4)	3 (5)	N/A	N/A	
Julie-Ann O'Hare	11 (11)	4 (4)	3 (3)	N/A	1 (1)	N/A	
Melanie Dawson	10 (11)	N/A	1 (2)	3 (4)	1 (1)	N/A	
Patrick O'Gorman	7 (11)	N/A	1 (4)	1 (5)	N/A	N/A	
Scott Ritchie	11 (11)	N/A	3 (4)	3 (5)	N/A	N/A	

Note:

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

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 July 2025. The three remaining members (Colin Coffey, Marie-Therese McGivern and Michael McQuillan) all completed their second terms at the end of March 2026 and retired from the Board. John Healy continues to lead the Board as Chair, with his term due to conclude at the end of February 2027.

A competitive public appointments process was completed in March 2026, attracting a strong field of candidates and resulting in the appointment of five new members (Fiona Derry, Emma Garrett, Máirtín Ó Muilleoir, Peter Lynch and Andrew Webb) from April 2026.

Accountability Report

Corporate Governance Report

Board Committees

The Board has established a committee structure to support effective oversight and assurance across key areas of responsibility. Committees operate within clearly defined terms of reference and report regularly to the Board, providing independent scrutiny, challenge and assurance.

- Audit & Risk Assurance Committee
- Business Funding Committee
- Strategic Resources Committee
- Regional & Partnerships Committee (stood down in May 2025)
- 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 2025-26 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; Chief Operating Officer; the Director of Finance, Risk and Assurance Division; Senior Risk and Assurance 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 four meetings in 2025-26, comprising four 'regular meetings' with the meeting to review and endorse the Annual Report and Accounts incorporated in September's agenda to align with audit timeframes.

ARAC members were asked to complete a self-assessment questionnaire in late 2024-25, with the results collated and a report subsequently drafted in early 2025-26. The principal area for improvement identified was the requirement to carry out a skills audit of current members in order to inform succession planning. A skills audit was commissioned in March 2026 and the results will be analysed in order to assist in identifying replacements for departing ARAC members.

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 November 2025 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 Central Compliance Team and updates on current fraud and Raising Concerns (whistleblowing) investigations. Other topics covered by the Committee in 2025-26 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. At the May 2025 meeting an updated good practice guide published by the NIAO was presented and reviewed by Committee members. The Committee continues to provide oversight to an ongoing exercise to clear outstanding Post Project Evaluations and updates the Board on progress.

Accountability Report

Corporate Governance Report

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 2026-27.

In the ARAC's Annual Report for 2025-26 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. Full written minutes of each ARAC meeting are included in papers for the next Board meeting in order to update the Board on matters arising, with the Chair providing a verbal update on an exceptional basis.

Other Committees

During 2025–26, the Board kept its committee structure under review to ensure continued alignment with strategic priorities. Following publication of the Business Strategy, the focus of regional and partnership activity shifted from strategic development to operational delivery. As such, the continued need for a dedicated Board Committee in this space was reviewed, and the Committee was stood down in May 2025, with its functions being absorbed into the organisation's core operating model.

The *Business Funding Committee* supports the Board in fulfilling its oversight and strategic management responsibilities in respect of Invest NI's Programme and Grant approvals and a number of key funding streams, including Access to Finance and external funding streams. The Committee met four times in 2025-26 in order to provide an oversight and challenge function independent of the Invest NI executive management. Julie-Ann O'Hare also replaced Colin Coffey as Chair of this Committee mid-year.

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. The Committee met five times in 2025-26. Ciaran Mulgrew also replaced Marie-Therese McGivern as Chair of this Committee, part way through the year.

The *Executive Performance Assessment Committee* (formerly known as the Remuneration 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 met twice in 2025-26.

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. Comprising the Chief Executive, the three Chief Officers and the Executive Directors for Communication and People & Culture, ExCo has responsibility for strategic planning, policy development, performance monitoring, governance, risk management and overall operational effectiveness. 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 met regularly during 2025-26 to review the performance of the organisation against agreed targets, monitor budget requirements and outturn, and provide strategic direction to in order to achieve Invest NI's strategic, operational, and financial objectives.

Accountability Report

Corporate Governance Report

Other Executive Committees

An executive committee structure was in place throughout 2025-26 to support the Chief Executive and ExCo in providing effective, day-to-day management of Invest NI in accordance with all applicable legislation as well as policies and guidelines established by the Board, the Department and any other relevant body. These include:

- Credit Committee
- Investment Committee
- Operations Committee
- Business Development Committee
- HR & People Development Committee

Governed by agreed Terms of Reference, each committee provides direction, oversees operational management and makes key organisational decisions within their areas of responsibility.

The *Credit Committee* facilitates the decision-making process for, and contributes to the governance and financial oversight of, investments involving debt and / or equity. It is responsible for monitoring or considering changes to the investments throughout their life-cycle.

The purpose of the *Investment Committee* is to provide support and advice, on major investments aligned with our Business Strategy, the Economy Minister's Economic Plan and the Executive's Programme for Government. It evaluates investment proposals, partnerships, funding initiatives and capital allocation, ensuring investments are delivering a return on investment and align with corporate objectives. The Committee also approves proposals between £1-2m and makes recommendations to Board for proposals over £2m.

The *Operations Committee* supports ExCo by monitoring organisational performance and overseeing financial planning and budgetary control. It serves as a forum for maintaining governance standards, resolving critical and cross cutting issues and driving continuous operational improvement across the organisation. This committee effectively replaces the Internal Audit Committee and the Governance Council.

The *Business Development Committee* has responsibility for the oversight and governance of the client portfolio, segmentation process, sectoral strategies and account development. This includes ensuring that the client portfolio is managed effectively and that its impact on our Business Strategy objectives and the NI economy is maximised.

The *HR & People Development Committee* supports ExCo by providing oversight, guidance and monitoring of the HR & People Development strategy, including workforce planning and resourcing, succession planning, learning and development and performance management.

Accountability Report

Corporate Governance Report

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.

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 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.

Accountability Report

Corporate Governance Report

A summary of the activity related to these policies in 2025-26 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	Three cases were reported to DfE during the course of the year and currently remain open. The one case reported in the previous year has been closed and all necessary actions taken.
Fraud Prevention	Anti-Fraud Policy and Fraud Response Plan	Nine cases of suspected fraud were notified to DfE during the year, in line with the Invest NI Fraud Response Plan. Seven of these cases are now closed, one of which was referred to the PSNI. Two cases remain open. Two cases from prior years remain open, both of which have been referred to the PSNI. Four cases from previous years were closed during the year.

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, nine cases of alleged or suspected fraud were notified to DfE during 2025-26. In two cases, further review of the circumstances served to confirm that the allegations did not constitute an attempt to defraud Invest NI. In another case, a company claiming to be an Invest NI subsidiary made an unsuccessful attempt to purchase building materials from a Portuguese company. In a separate incident, an attempted fraudulent transaction on an HQ procurement card was identified and flagged by the card provider. Five cases related to allegations of attempted fraud in grant claims. In relation to the two cases still under investigation, as well as a prior case that was referred to the PSNI, the relevant grant claims involved amounted to approximately £100k. This compares to overall activity during the year which saw £125m of assistance offered to businesses to support 2,195 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

Accountability Report

Corporate Governance Report

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.

Relationship with subsidiary company NI-CO

Northern Ireland Co-operation Overseas (NI-CO) is a wholly owned subsidiary of Invest NI. As Accounting Officer for Invest NI and its subsidiaries, the Chief Executive of Invest NI remains accountable to the Departmental Permanent Secretary in their capacity as DfE Accounting Officer.

Following a strategic review in 2023–24, the NI-CO Board concluded that the company could no longer be regarded as a going concern, primarily due to the loss of eligibility to bid for new EU funded contracts. In August 2024 the Board resolved to recommend that the company be voluntarily wound up by way of a Members' Voluntary Liquidation (MVL). Written Resolutions were approved by Invest NI in August 2024, and KPMG was appointed as liquidator.

From the date of liquidation, operational control of NI-CO transferred to the liquidator, which now holds statutory responsibility for managing the company's remaining assets and liabilities and for progressing the orderly wind down of the company. As Invest NI no longer has the power to control NI-CO's activities, the company has been de-consolidated from the Invest NI Group Accounts. The liquidation remains ongoing.

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 Director of People & Culture and Director of Performance, Compliance and Co-ordination Division, 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 2025-26.

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.

The 2025-26 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.

Accountability Report

Corporate Governance Report

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 2025-26 financial year has seen 32 of the 35 actions completed, with a further two due for completion by December 2026 and the remaining action due in April 2027. Of the three outstanding actions, two are owned by Invest NI with DfE responsible for the third.

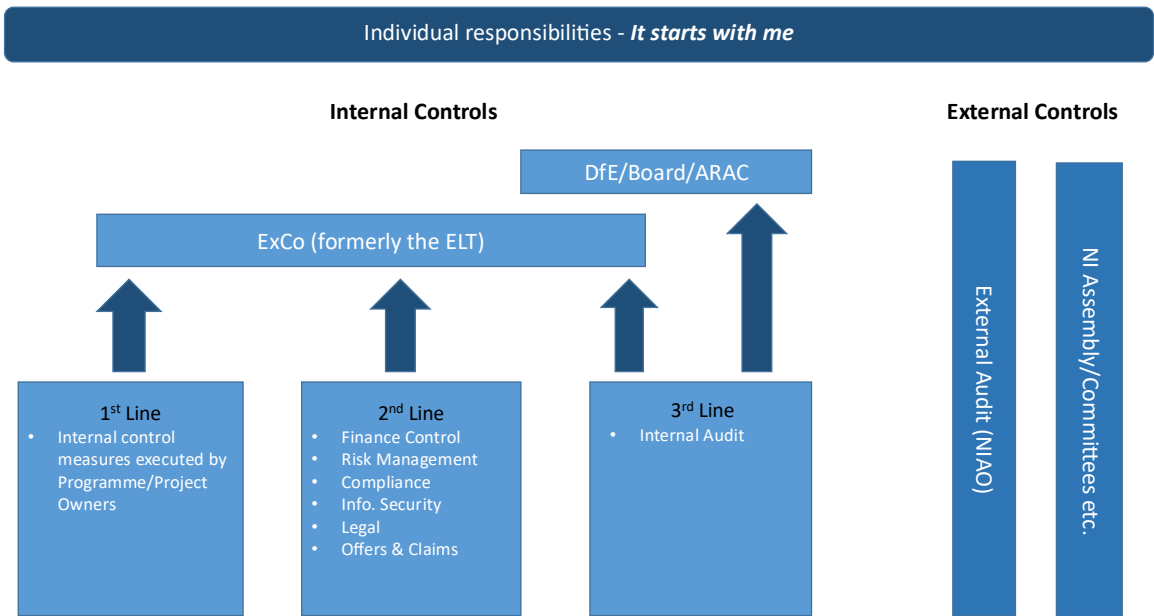
Ministerial Directions

There were no Ministerial Directions received in 2025-26.

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 described in HM Treasury’s publication The Orange Book (‘Management of Risk – Principles and Concepts’):

The Three Lines



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 last updated in October 2024.

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

Accountability Report

Corporate Governance Report

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 28.

The Invest NI Board held a workshop in October 2025 to discuss the rollout and communication of the Risk Appetite Statement, in particular the work undertaken to review how risk is identified and articulated through the casework process. The 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.

During 2025-26 the organisation commissioned an external review of its Risk Management Framework, with the subsequent report being presented to the Audit & Risk Assurance Committee at its meeting in February 2026. The review concluded that Invest NI's approach is well developed and broadly consistent with best practice.

The Audit & Risk Assurance Committee met four 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

In November 2025, Invest NI conducted a comprehensive review and revision of its Business Continuity Plan (BCP) to ensure alignment with the organisation's updated structure. The revised BCP was disseminated to all members of the Incident Management Team (IMT), with both digital and printed copies provided to facilitate convenient access and reference.

On 22 January 2026, IMT personnel engaged in a structured classroom exercise focused on the management of insider threats and ransomware scenarios. The team demonstrated proficiency in identifying, containing, and resolving these simulated incidents, which highlighted the necessity to revisit and update the business impact analysis (BIA) in line with recommendations from the most recent ISO audit.

On 2 March 2026, Invest NI headquarters experienced an unforeseen power outage. The emergency generator was activated during the power outage to maintain essential services. However, when the power supply was restored, a failure occurred during the automatic transition back to mains power, leading to an unplanned shutdown of the server room resulting in significant system downtime. The IMT responded promptly by activating the BCP, thereby ensuring the continuity of critical operations and enabling an expedited recovery. For many team members, this incident constituted their first experience with a live business continuity event, which was managed with commendable effectiveness. A subsequent session held in April facilitated the review of lessons learned and the development of enhanced risk mitigation strategies.

Accountability Report

Corporate Governance Report

Data Security

Following the annual external independent Information Security Audit in November 2025, Invest NI continues to be certified to the international security standard ISO 27001. The purpose of the certification is to provide an 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 2025-26, 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 cyber security protection measures.

During the year there was one case involving loss of an encrypted mobile device, 10 incidents relating to unauthorised disclosure of information and one case of unauthorised access to premises, all but one had a mitigated risk rating of "low", and one was rated "medium". 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 2025-26.

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 during 2025-26.

Sustainability

Following the successful launch of Invest NI's Environmental, Social and Governance (ESG) strategy in 2023, we remain committed to lowering our environmental impact, with our climate change mitigation and adaption governed through a structured framework led by the Head of ESG. A cross-functional Sustainability Working Group reviews the emissions data and develops the organisation's Sustainability Plan, while oversight is provided by the ESG Steering Group, chaired by an ESG Champion (Chief Operating Officer).

An ESG risk register is in place and a risk relating to the potential for Invest NI to fail to meet its statutory obligations under the Climate Change Act is included on the Corporate Risk Register. In light of DAO (DoF) 03/26 relating to Sustainability Reporting Guidance, Invest NI will look for further opportunities to facilitate review of sustainability matters through the Audit and Risk Assurance Committee and Internal Audit.

More information on sustainability matters is provided at page 39.

Accountability Report

Corporate Governance Report

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 Chief Officers 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. 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.

Group Assurance Statements on Internal Control

During 2025-26 each of the Chief Officers 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 2025-26 was reviewed by Invest NI management prior to approval by the Audit & Risk Assurance Committee at its meeting in February 2025. Progress against the Plan is reviewed 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 November 2025 meeting ARAC agreed the deferral of two consultancy reviews from the 2025-26 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 2025-26 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 2025-26 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 2025-26 year.

Accountability Report

Corporate Governance Report

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. At each regular meeting of the Audit & Risk Assurance Committee, a Management Assurance Summary Report is provided that includes a review of PACs reports and the applicability of their relevance to Invest NI.

NIAO Reports

The NIAO has published a number of reports with direct relevance to Invest NI's operations in 2025-26, including the Comptroller and Auditor General's Report on Financial Audit Findings (published in December 2025), a Good Practice Guide on Raising Concerns (March 2026) and a report that reviews progress on Partnership Agreements between Departments and Arm's Length Bodies (March 2026).

Public Accounts Committee Issues

There were no Public Accounts Committee issues raised in 2025-26.

Significant internal control problems

No significant internal control problems have been identified.

Conclusion

I have considered the evidence provided with regards to the production of the Annual Governance Statement, including 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 three 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)	
	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25
Colin Coffey	16	14	16	14	300	1,000
Kieran Kennedy (resigned 4 July 2025)	4	14	16	14	-	-
Marie-Therese McGivern	16	14	16	14	100	-
Michael McQuillan	16	14	16	14	-	-
Dominic Darby	16	14	16	14	-	-
Melanie Dawson	16	14	16	14	300	700
Dawn McLaughlin	16	14	16	14	-	-
Ciaran Mulgrew	16	14	16	14	-	-
Patrick O'Gorman	16	14	16	14	-	-
Julie-Ann O'Hare	16	14	16	14	-	-
Scott Ritchie	16	14	16	14	-	-
John Healy (appointed 1 March 2024)	53	48	53	48	-	-

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, the three Chief Officers and the Executive Directors for Marketing & Communications and People & Culture

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. Following approval of the 2025-26 Budget in the Assembly on 19 May 2025, in which the Finance Minister outlined the overarching approach to public sector pay, the NI public sector pay policy guidance was published on 27 May 2025 in FD (DoF) 04/25.

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 2025-26 has been finalised and Invest NI paid this in September 2025, following approval of the pay remit by the Accounting Officer.

The pay of NICS 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 and other eligibility criteria.

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.

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)	
	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25
Chief Executive:								
Kieran Donoghue	190-195	180-185	-	-	72	69	265-270	250-255
Other Executive Committee Members:								
Kathryn Hill Note 1	95-100 (115-120 FYE)	-	-	-	41	-	155-160	-
Anne Beggs Note 2	115-120	15-20 (100-105 FYE)	-	-	191	16	305-310	30-35
Alison Currie Note 3	25-30 (115-120 FYE)	-	-	-	11	-	125-130	-
Paula Logue	95-100	85-90	-	-	38	35	135-140	120-125
Peter Harbinson	95-100	90-95	-	-	15	73	110-115	160-165
George Mckinney Note 4	95-100 (110-115 FYE)	0-5 (100-105 FYE)	-	-	14	(1)	125-130	0-5
Ian Maxwell Note 5	25-30 (100-105 FYE)	5-10 (100-105 FYE)	-	-	36	(1)	140-145	0-5
Iain Joannides Note 6	35-40 (85-90 FYE)	5-10 (75-80 FYE)	-	-	12	3	100-105	5-10
Mel Chittock Note 7	-	280-285 (115-120 FYE)	-	-	-	24	-	300-305
Jeremy Fitch Note 8	-	280-285 (115-120 FYE)	-	-	-	35	-	315-320
Steve Harper Note 9	-	170-175 (115-120 FYE)	-	-	-	37	-	205-210
Brian Dolaghan Note 10	-	300-305 (110-115 FYE)	-	-	-	88	-	385-390
Donal Durkan Note 11	-	100-105 (105-110 FYE)	-	-	-	214	-	310-315
Alan McKeown Note 12	-	90-95 (100-105 FYE)	-	-	-	35	-	125-130

The salary figures included in the table above reflect what was paid to the individuals during 2025-26, 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 and any increase or decrease due to a transfer of pension rights.

Accountability Report

Remuneration and Staff Report

Notes:

1 Kathryn Hill was appointed to the role of Chief Operating Officer on 19 May 2025.

2 Anne Beggs was appointed to the role of Executive Director, International & Skills on 3 February 2025 and left the role when appointed to the role of Chief Commercial Officer on 1 May 2025

3 Alison Currie was appointed to the role of Chief Development Officer on 5 January 2026.

4 George McKinney was temporarily appointed to the role of Executive Director, Business Growth on 17 March 2025 and the temporary promotion ceased on 13 February 2026.

5 Ian Maxwell was temporarily appointed to the role of Executive Director, Finance on 3 March 2025 and the temporary promotion ceased on 30 June 2025.

6 Iain Joannides was temporarily appointed to the role of Executive Director, Regional Business on 24 February 2025 and the temporary promotion ceased on 29 August 2025.

7 Mel Chittock 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.

8 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.

9 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.

10 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.

11 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.

12 Alan McKeown was temporarily appointed to the role of Executive Director, Business Growth on 16 December 2024. Prior to that date he was Executive Director, Regional Business. 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.

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 2025-26 or the previous year.

Accountability Report

Remuneration and Staff Report

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.

The banded remuneration of the highest-paid director in Invest NI in the financial year 2025-26 was £190,000-£195,000 (2024-25: £180,000-185,000). The relationship between the mid-point of this band and the remuneration of the organisation's workforce is disclosed below.

2025-26	25th percentile	Median	75th percentile
Total remuneration (£)	31,097	47,304	49,515
Pay ratio	6.2:1	4.1:1	3.9:1

2024-25	25th percentile	Median	75th percentile
Total remuneration (£)	28,483	42,315	45,351
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. : For 2025-26 and 2024-25, the 25th percentile, median and 75th percentile remuneration values consisted solely of salary payments.*

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 2025-26, no employees (2024-25, no employees) received total remuneration in excess of the highest-paid director.

Remuneration ranged from £25,000 to £190,000-195,000 (2024-25, £24,000 to £180,000-185,000).

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.

Accountability Report

Remuneration and Staff Report

Percentage change for:	2025-26 v 2024-25	2024-25 v 2023-24
Average employee salary and allowances	10.8%	5.0%
Highest paid director's salary and allowances	5.5%	5.8%
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.

Pension Entitlements

Pension details of ExCo (formerly the ELT) as at 31 March 2026 are as follows (the information in the table below has been subject to audit):

	Accrued pension at pension age as at 31 March 2026 and related lump sum	Real increase in pension and related lump sum at pension age	CETV at 31 March 2026	CETV at 31 March 2025	Real increase in CETV	Employer contribution to partnership pension account
	£'000	£'000	£'000	£'000	£'000	Nearest £100
Kieran Donoghue	5-10	2.5-5	148	76	54	-
Peter Harbinson	45-50	0-2.5	956	934	6	-
Alison Currie*****	0-5	0-2.5	9	-	6	-
Kathryn Hill*****	30-35	0-2.5	489	-	25	-
Paula Logue	5-10	0-2.5	82	6	26	-
Anne Beggs	40-45 plus a lump sum of 95-100	7.5-10 plus a lump sum of 17.5-20	850	634	174	-
Ian Maxwell	35-40	0-2.5	675	627	32	-
George McKinney	35-40	0-2.5	700	668	7	-
Iain Joannides	20-25	0-2.5	286	278	7	-
Mel Chittock**	-	-	-	1,664	-	-
Jeremy Fitch**				1,184		-
Steve Harper***				327		-
Brian Dolaghan****				1,070		-
Donal Durkan****				1,244		-
Alan McKeown****				187		-

** These individuals left Invest NI in December 2024

*** This individual left Invest NI in January 2025

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

***** This individual started Invest NI in May 2025

***** This individual started Invest NI in January 2026

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**

Accountability Report

Remuneration and Staff Report

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 prereformed 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 have been able to be issued by the original regulatory timeline of 31 March 2025. The Scheme Manager has invoked the discretion allowed by the remedy legislation and has extended the timeline for issuing Immediate Choice RSS packs to 31 March 2027. The Pensions Regulator has been notified of this extension. Our priority remains to provide members with all the accurate information they need to make a choice. It can be noted that other Public Service Pension Schemes are also in a similar position. 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 \(finance-ni.gov.uk\)](#).

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 2025-26 pension disclosures for affected members continue to be based on the rolled back position.

Accountability Report

Remuneration and Staff Report

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 FD (DoF) 03/26 - Appendix A.1 18 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.civilservicepensions.ni.gov.uk).

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. The CPI in September 2025 was 3.8% and HM Treasury has announced that public service pensions will be increased accordingly from April 2026.

Accountability Report

Remuneration and Staff Report

Percentage rates for employee contributions were revised for all members from 1 July 2025 as a result of the Northern Ireland Civil Service Pension Scheme: Consultation on Scheme Yield / Member Contributions as shown below:

Annualised Rate of Pensionable Earnings (Salary Bands) 1 April 2025 – 31 August 2025		Contribution rates - All members 1 April 2025 to 30 June 2025	Contribution rates – all members from 1 July 2025
From	To		
£0	£27,091.99	4.6%	4.65%
£27,092.00	£61,645.99	5.45%	5.65%
£61,646.00	£165,793.99	7.35%	7.55%
£165,794.00 and above		8.05%	8.25%

Salary bands were also updated from 1 September 2025 as follows:

Annualised Rate of Pensionable Earnings (Salary Bands) 1 September onwards		Contribution rates - All members
From	To	
£0	£28,716.99	4.65%
£28,717.00	£65,343.99	5.65%
£65,344.00	£175,740.99	7.55%
£175,741.00 and above		8.25%

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 FD (DoF) 03/26 - Appendix A.1 20 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%

Accountability Report

Remuneration and Staff Report

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](#).

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).

Compensation On Early Retirement Or For Loss Of Office

The following section is subject to audit

During 2025-26, no member of ExCo received compensation for early retirement or loss of office.

During 2024 -25 exit packages were paid during the period to 4 members of ExCo/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.

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	2025-26 Total £'000	2024-25 Total £'000
Wages and salaries	26,613	5,863	1,715	34,191	33,933
Social security costs	3,640	-	40	3,680	2,952
Other pension costs	8,962	-	34	8,996	8,553
Sub total	39,215	5,863	1,789	46,867	45,438
Less recoveries in respect of outward secondments and others	(42)	-	-	(42)	(100)
Total net costs	39,173	5,863	1,789	46,825	45,338

	Invest NI				
	Permanently employed staff £'000	Overseas staff £'000	Others* £'000	2025-26 Total £'000	2024-25 Total £'000
Wages and salaries	26,613	5,863	1,715	34,191	33,933
Social security costs	3,640	-	40	3,680	2,952
Other pension costs	8,962	-	34	8,996	8,553
Sub total	39,215	5,863	1,789	46,867	45,438
Less recoveries in respect of outward secondments and others	(185)	-	-	(185)	(235)
Total net costs	39,030	5,863	1,789	46,682	45,203

*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 £1,367,000 (2024-25: £1,329,000) 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 FD (DoF) 03/26 - Appendix A.2 23 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 2025-26, employers' contributions of £8,996,000 were payable to the NICS pension arrangements at a flat rate of 34.25% of pensionable pay, for all salaries (2024-25 £8,553,000 at a flat rate of 34.25%).

Employees can opt to open a partnership pension account, a stakeholder pension with an employer contribution. Employers' contributions of £8,269 (2024-25 £10,406) were paid to one or more of the panels of two appointed stakeholder pension providers. Employer contributions are age-related and range from 8% to 14.75% (2024-25, 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 £233, 0.5% (2024-25 £631, 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.

Two employees (2024-25: No employees) retired early on ill-health grounds; the total additional accrued pension liabilities in the year amounted to £2,819.26 (2024-25: £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 and Invest NI	Permanently employed staff	Others	2025-26 Total	2024-25 Total
Directly employed	558	5	563	558
Temporary staff/external secondees	-	13	13	16
Board members	-	11	11	12
Overseas staff	-	67	67	74
Total	558	96	654	660

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	2025-26			2024-25		
	Male	Female	Total	Male	Female	Total
Board members	7	4	11	8	4	12
Senior civil servants (SCS)*	8	9	17	9	7	16
Number of employees (excluding SCS)	260	343	603	255	327	582
Total	275	356	631	272	338	610

*Senior civil servants are defined as a member of staff at Grade 5 or above. The 17 employees referred to above comprise one individual at Grade 1, three individuals at Grade 3 and 13 individuals at Grade 5.

Staff turnover

Group and Invest NI	2025-26	2024-25
Staff turnover percentage	7.1	7.4

Employee engagement

Following our cultural assessment in late 2024, we have continued to deliver the key recommendations and actions across leadership, learning and development, talent management, collaboration and communication. One major outcome was the development of an Effective People Management Programme. After a successful pilot, the three-day programme will be rolled out to all people managers in 2026/27.

Following a review of our core values to better reflect our vision, mission and strategy, colleagues selected Excellence, Integrity, Client Focus, Respect and Collaboration. We encourage behaviours aligned to these values through our Values Toolkit, which includes a Work Guide and Self-Reflection Tool to help embed our values in day-to-day conversations, decisions and actions. We also

Accountability Report

Remuneration and Staff Report

developed interactive “Living our Values” workshops to provide further support, with colleagues across the organisation taking part.

Feedback from the cultural assessment also informed the redesign of our Reward and Recognition Scheme, “Best of Invest”. Aligned to our refreshed values, the scheme was formally launched at our annual Staff Conference. Colleagues can nominate peers for recognition, with nominations assessed by a committee. To date, ten colleagues have been formally recognised for demonstrating our values, and many more have been acknowledged on our new communications platform, Viva Engage.

Invest NI retains Diversity Mark Accreditation, recognising our continued commitment to advancing diversity and inclusion. Our Employee Connection Groups help colleagues connect, share experiences, raise awareness of key topics and contribute ideas that shape our future Diversity and Inclusion agenda. These networks also support wellbeing, strengthen belonging and drive engagement across the organisation, which we promote both internally and externally.

The Young Employee Connection Group organised social events to strengthen connections, alongside workshops - such as finance and budgeting - focused on topical issues. The Professional Women’s Network hosted a well-attended session on Understanding Menopause, supported by external specialists Dr Andrea Latimer and Tara Grimes. They also ran a coffee morning to mark International Women’s Day and to raise awareness of Women’s Aid and its support for survivors of domestic abuse. In addition, they supported eight colleagues through a mentoring programme and two colleagues through a Female Leadership Programme, delivered via our Women in Business connection. The LGBTQ+ network also supported Invest NI’s participation in Pride Belfast, with over 30 colleagues and allies taking part.

The STEM network continued to engage with schools, attending events that promoted careers in STEM. Green Scene partnered with Belfast Hills Partnership to plant trees on Divis, supporting delivery of our ESG strategy.

In March, we marked the end of our two-year charity partnership with NI Children’s Hospice, raising an outstanding £45,280. Colleagues across the organisation contributed through activities including the Dragon Boat Race, abseils, marathons and relays, hiking, coffee mornings, pre-loved sales, step challenges, a Christmas quiz and raffle, and volunteering.

Our charity partner for the next two years is Cancer Fund for Children. We look forward to working together to raise awareness and funds, supporting the charity’s vital emotional, social and therapeutic services for children and families at home, in hospital and at Daisy Lodge, its therapeutic short-break centre in Newcastle, County Down.

Accountability Report

Remuneration and Staff Report

Off-payroll engagements

Off-payroll worker engagements as at 31 March 2026:

	Total
Number of existing engagements as of 31 March 2026	4
Of which, number that existed:	
less than 1 year	-
for between 1 and 2 years	-
for between 2 and 3 years	2
for between 3 and 4 years	-
for 4 or more years	2

Off-payroll workers engaged at any point during the year ended 31 March 2026:

	Total
Number of temporary off-payroll workers engaged during the year ended 31 March 2026	4
Of which:	
Not subject to off-payroll legislation	-
Subject to off-payroll legislation and determined as in-scope for IR35	4
Subject to off-payroll legislation and determined as out-of-scope of IR35	-
Number of engagement reassessed for compliance or assurance purposes during the year	4
Of which: number of engagements that saw a change to IR35 status following review	4

Off-payroll and on-payroll engagements of Board members, and/or senior officials with significant financial responsibility, between 1 April 2025 and 31 March 2026:

	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

Accountability Report

Remuneration and Staff Report

Reporting of Civil Service and other compensation schemes – exit packages

The following section is subject to audit No exit packages have been agreed and accounted for in 2025-26. In 2024-25 four exit packages were agreed and accounted totalling £688,000.

Consultancy costs and temporary staff

Consultancy costs of £Nil (2024-25: £Nil) were incurred and there was expenditure of £64,000 (2024-25: £146,000) on temporary staff during the year.

Employee-related policies

Invest NI values and welcomes diversity and is committed to building an inclusive workplace where all employees are valued and supported. We will be developing an Equality, Diversity and Inclusion (EDI) Strategy to strengthen and coordinate our existing initiatives, including EDI e-learning, Employee Connection Groups and a broad programme of awareness and support activity.

Equality is a core consideration in all HR policies that guide how staff are recruited and appointed, managed, developed and recognised and supported in their careers.

Our Equality of Opportunity Policy ensures that everyone has fair access to employment, training and progression based on ability, qualifications and performance. We aim to ensure that no job applicant or staff member is discriminated against on the grounds of gender (including reassignment), marital or civil partnership status, disability, race, community background or political opinion, age, dependants, sexual orientation, pregnancy or maternity or Trade Union membership

Invest NI gives full and fair consideration to applications from disabled people, making reasonable adjustments throughout the recruitment process to meet individual needs. To promote a fair and unbiased recruitment experience, all panel members receive mandatory training, which includes raising awareness of unconscious bias. Additionally, unconscious bias training is available to all staff to ensure a more inclusive environment for all.

We also take action to support disabled employees, including those who acquire a disability during their employment. This may include tailored working arrangements, hybrid and flexible working and/or adjustments to the working environment.

We continue to meet our statutory obligations under the Fair Employment & Treatment (NI) Order 1998, including the submission of the annual Fair Employment Monitoring Return and completion of the tri-annual Article 55 Review. These processes assess the composition of our workforce and applicants. We use this analysis to guide targeted outreach activity where under-representation is identified. As a public authority, Invest NI has due regard to promoting equality of opportunity and good relations as set out in Section 75 of the Northern Ireland Act 1998. Further information on our Equality Scheme is available on our website. Our commitment to equality also extends beyond the workplace to visitors, clients and suppliers and all other business contacts and associates

Invest NI is committed to supporting the health, wellbeing and attendance of all employees. We maintain a proactive and supportive approach to absence management, ensuring staff have access to appropriate guidance, early intervention and relevant support services where needed.

Throughout the year, absence trends are monitored to identify patterns, understand underlying causes and inform targeted wellbeing activity. This approach enables us to balance organisational effectiveness with empathy and support for individual circumstances. The main reasons for sickness absence during the reporting year were anxiety/stress/depression as well as preplanned surgery, injury or fracture, and respiratory related illness such as coughs, colds and flu.

Accountability Report

Remuneration and Staff Report

During 2025-26, Invest NI recorded an overall sickness absence rate of 3.65%, compared with 2.92% in 2024-25 and 3.09% in 2023-24. Despite this increase, Invest NI's absence rate remains significantly below the wider Northern Ireland Civil Service (NICS) rate of 6.1% in 2024-25. The NICS figure for 2025-26 will not be available until at least September 2026.⁴

Learning & Organisational Development

Learning & Organisational Development (L&OD) continued to provide comprehensive and accessible learning in 2025-26 by supporting organisational capability, compliance and high-quality people management across Invest NI.

A comprehensive suite of mandatory and role-specific eLearning modules were provided via the Invest NI eLearning platform. These modules included Data Protection, Information Security, Freedom of Information, Equality, Diversity & Unconscious Bias, Anti-Fraud, Records Management, Attendance Management and Introduction to Microsoft Copilot and Viva Engage. The mandatory training is completed by all staff within defined timeframes, supported by L&OD registration and reporting processes. The Role-specific eLearning included Intervention Principles for customer-facing roles, Procurement Level 1 training and systems training including Client Relationship Management system (CRM), Enterprise Content Management (ECM), Oracle and Desk Booking App.

L&OD continued to lead on corporate induction and coordinated learning activities for new starters, combining welcome and induction sessions, mandatory compliance eLearning, system and process training and support for line managers and mentors. This blended approach ensures new employees receive both formal learning and on-the-job development, aligned to their role and business area. In addition to the eLearning modules, L&OD Training programmes delivered in 2025-26 also included Leadership and People Management programmes, including a pilot for a new line manager development entitled 'Effective People Development', professional skills training including finance, IT skills, procurement and commercial capability, Values-based and behavioral workshops, supporting Invest NI's culture and performance expectations and Client-facing and functional workshops, delivered internally or with external partners.

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.

Performance management completion was also a focus during 2025, with targeted learning and communications to support colleagues and managers through key points in the cycle. This included performance management training, SMART performance management and advisory clinics. Together, this provision supported Invest NI's strategic priorities by building capability, strengthening performance culture and enabling colleagues to develop the skills and behaviours required to deliver for businesses and the wider economy.

Employee Health & Wellbeing

Invest NI continues to foster a positive organisational culture where employees feel valued, supported and empowered to thrive. We promote the 'Take 5 Steps to Wellbeing' programme, which encourages five simple actions to support physical and mental health at work and at home: Connect, Learn, Be Active, Take Notice and Give.

⁴ <https://www.nisra.gov.uk/statistics/ni-civil-service-human-resource-statistics/sickness-absence-statistics>

Accountability Report

Remuneration and Staff Report

We provide a range of support, including establishing new clubs and communities to help colleagues connect, encouraging learning through our Personal Growth Scheme, organising activities such as step challenges to promote physical activity, offering health checks to support early intervention and fundraising to support our Corporate Charity Partner.

We also provide targeted mental health support and interventions, including occupational health services, an Employee Assistance Programme, access to trained Mental Health First Aiders, e-learning modules such as mental health awareness and webinars on managing mental health in the workplace. We support work-life balance through flexitime and individual flexible working patterns, and we raise awareness of health issues through policies and events, such as menopause awareness.

Employees are actively involved in relevant matters, and communication and consultation take place 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	2026 Losses £'000	2026 No. of cases >£300k*	Group and Invest NI		2025 No. of cases >£300k*	2025 No. of cases <£300k
			2026 No. of cases <£300k	2025 Losses £'000		
Grants recoverable	1,040	-	31	1,676	2	101
Others including investments and accrued income	1,681	2	7	513	0	6

* 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 both related to share transactions where the funds were not fully recovered.

Included within the 101 cases less than £300,000 reported in 2024-25, 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 12 cases of potential losses totalling £989,000 (2024-25: 20 cases totalling £3,619,000) that are under management review. Of these cases £634,000 were reported in previous years; £355,000 were new cases in 2025-26.

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 ongoing. 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: 7 July 2026

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 2026 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 2026 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 income and expenditure 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 for 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 the 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.

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 and report. The Board and the Accounting Officer are 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 the part of the Remuneration and Staff Report to be audited has been properly prepared in accordance with Department of Finance directions issued under the Government Resources and Accounts Act (Northern Ireland) 2001.

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 parts of the Remuneration and Staff Report to be audited is not in agreement with the accounting records and returns; 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 is responsible for:

- maintaining proper accounting records;
- 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
- assessing the 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 audit, 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 Industrial Development Act (Northern Ireland) 2002, the Financial Assistance Act (Northern Ireland) 2009, health and safety legislation and relevant tax laws;
- making enquiries 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, and agreeing financial statement disclosures to underlying supporting documentation and approvals as appropriate, and reviewing legislation, performing substantive testing on grant awards, carrying out data analytics on grant applicants;
- addressing the risk of fraud as a result of management override of controls by:
 - performing analytical procedures to identify unusual or unexpected relationships or movements;
 - testing journal entries to identify potential anomalies, and inappropriate or unauthorised adjustments;
 - assessing whether judgements and other assumptions made in determining accounting estimates were indicative of potential bias; and
 - 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.

INVEST NI ANNUAL REPORT AND ACCOUNTS 2025-26

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 income and expenditure 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
08 July 2026

Consolidated Statement of Comprehensive Net Expenditure

For the year ended 31 March 2026

	Note	2026 £'000	2025 £'000
Revenue from contracts with customers	5	1,340	1,308
Other operating income	5	3,043	2,737
Total operating income	5	4,383	4,045
Staff Costs	3	(46,825)	(45,338)
Purchase of goods and services	3	(22,663)	(23,230)
Depreciation and impairment charges	3	(3,959)	(4,350)
(Increase)/Decrease in Provisions	3	(5,661)	(2,096)
Other Operating Expenditure	3	(62,566)	(30,156)
Total operating expenditure		(141,674)	(105,170)
Net operating expenditure		(137,291)	(101,125)
Finance income		208	682
Finance expense		(843)	(882)
Net expenditure for the year before taxation		(137,926)	(101,325)
Tax	6(i)	(1,180)	(95)
Net expenditure for the year after taxation from continuing operations		(139,106)	(101,420)
Discontinued operations	24	-	(1,118)
Total net expenditure for the year after taxation		(139,106)	(102,538)

Other Comprehensive Net Expenditure**Items that will not be reclassified to net operating expenditure:**

Net gain on revaluation of property, plant and equipment	7	440	1,137
Net gain on revaluation of intangible assets	9	-	138
Total Comprehensive Net Expenditure for the year ended 31 March 2026		(138,666)	(101,263)

Notes **1 to 27** on pages 100 to 164 form part of these accounts.

Statement of Comprehensive Net Expenditure – Invest NI
For the year ended 31 March 2026

	Note	2026 £'000	2025 £'000
Revenue from contracts with customers	5	916	900
Other operating income	5	2,495	2,184
Total operating income	5	3,411	3,084
Staff Costs	3	(46,682)	(45,203)
Purchase of goods and services	3	(21,221)	(21,854)
Depreciation and impairment charges	3	(8,496)	(8,839)
Decrease/(Increase) in Provisions	3	(5,661)	(2,096)
Other Operating Expenditure	3	(62,566)	(30,156)
Total operating expenditure		(144,626)	(108,148)
Net operating expenditure		(141,215)	(105,064)
Finance income		27	-
Finance expense		-	-
Net expenditure for the year before taxation		(141,188)	(105,064)
Tax	6(i)	-	-
Net expenditure for the year after taxation		(141,188)	(105,064)
Other Comprehensive Net Expenditure			
Items that will not be reclassified to net operating expenditure:			
Net gain on revaluation of property, plant and equipment	7	39	665
Net gain on revaluation of intangible assets	9	-	138
Total Comprehensive Net Expenditure for the year ended 31 March 2026		(141,227)	(104,261)

All activities derive from continuing operations.

Notes **1 to 27** on pages 100 to 164 form part of these accounts.

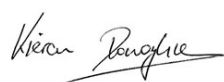
Consolidated Statement of Financial Position

As at 31 March 2026

	Note	2026 £'000	2025 £'000
Non-current assets			
Property, plant and equipment	7	65,504	65,901
Investment properties	8	7,600	7,600
Intangible assets	9	12,397	11,677
Right-of-use assets	21	2,742	1,988
Investments in associates	11	86,270	72,595
Financial assets	12	47,132	62,156
Trade and other receivables	13	481	568
Total non-current assets		222,126	222,485
Current assets			
Trade and other receivables	13	9,029	13,211
Cash and cash equivalents	14	34,963	30,290
Assets classified as held for sale	15	835	143
Total current assets		44,827	43,644
Total assets		266,953	266,129
Current liabilities			
Trade and other payables	16	(28,043)	(25,185)
Lease liability	21	(723)	(682)
Borrowings	17	(829)	(638)
Current Tax		(634)	-
Provisions	18	(20,340)	(14,679)
Total current liabilities		(50,569)	(41,184)
Total assets less current liabilities		216,384	224,945
Non-current liabilities			
Borrowings	17	(12,210)	(13,040)
Derivative financial instruments	20	(417)	(626)
Deferred tax liability	6(iii)	(2,301)	(2,251)
Lease liability	21	(2,237)	(1,433)
Total non-current liabilities		(17,165)	(17,350)
Total assets less total liabilities		199,219	207,595
Taxpayers' equity and other reserves			
Revaluation reserve		26,196	26,515
General reserve		173,023	181,080
Total equity		199,219	207,595

Notes **1 to 27** on pages 100 to 164 form part of these accounts.

The financial statements on pages 93 to 164 were approved by the Board on 25 June 2026 and signed on its behalf.



Kieran Donoghue
Accounting Officer

Date: 7 July 2026

Statement of Financial Position – Invest NI
As at 31 March 2026

	Note	2026 £'000	2025 £'000
Non-current assets			
Property, plant and equipment	7	39,238	39,605
Intangible assets	9	2,467	1,747
Right-of-use assets	21	26,368	30,414
Investments in subsidiaries	10	17,393	17,393
Investments in associates	11	86,270	72,595
Financial assets	12	47,132	62,156
Trade and other receivables	13	481	568
Total non-current assets		219,349	224,478
Current assets			
Trade and other receivables	13	9,066	12,584
Cash and cash equivalents	14	4,027	2,493
Assets classified as held for sale	15	835	143
Total current assets		13,928	15,220
Total assets		233,277	239,698
Current liabilities			
Trade and other payables	16	(28,050)	(25,282)
Provisions	18	(20,340)	(14,679)
Lease liabilities	21	(5,884)	(5,732)
Total current liabilities		(54,274)	(45,693)
Total assets less current liabilities		179,003	194,005
Non-current liabilities			
Lease liabilities	21	(21,136)	(25,201)
Total assets less total liabilities		157,867	168,804
Taxpayers' equity and other reserves			
Revaluation reserve		18,443	19,241
General reserve		139,424	149,563
Total equity		157,867	168,804

Notes **1 to 27** on pages 100 to 164 form part of these accounts.

The financial statements on pages 93 to 164 were approved by the Board on 25 June 2026 and signed on its behalf by



Kieran Donoghue
Accounting Officer

Date: 7 July 2026

Consolidated Statement of Cash Flows

Year ended 31 March 2026

	Note	2026 £'000	2026 £'000	2025 £'000	2025 £'000
Cash flows from operating activities					
Net expenditure after interest before taxation from continuing operations			(137,926)		(101,325)
Net expenditure from discontinued operations before taxation	24		-		(1,118)
Adjustments for non-cash transactions	19	30,479		8,708	
Finance costs		843		882	
Finance income		(208)		(682)	
Decrease in trade and other receivables		(49)		1,712	
Increase/(Decrease) in trade and other payables		3,993		1,697	
Use of provisions		(10,558)		(12,060)	
			24,500		257
Net cash (outflow) from operating activities			(113,426)		(102,186)
Cash flows from investing activities					
Purchase of property, plant and equipment		(990)		(1,726)	
Purchase of intangible assets		(2,319)		(1,230)	
Proceeds of disposal of property, plant and equipment		4,006		2,117	
Repayments from other bodies		18,419		9,323	
Investment in associates		(27,024)		(8,352)	
Investment in financial assets		(1,152)		(2,261)	
Loan interest and dividends received		265		798	
Interest paid		(830)		(863)	
Corporation tax (paid)/received		206		(1,316)	
Net cash (outflow) from investing activities			(9,419)		(3,510)
Cash flows from financing activities					
Grants from sponsoring department		130,120		111,282	
Consolidated fund payments to DfE		(1,135)		(989)	
Repayment of borrowings		(652)		(432)	
Payments made to lease liabilities		(815)		(725)	
Net financing			127,518		109,136
Net (decrease)/increase in cash and cash equivalents in the year			4,673		3,440
Cash and cash equivalents at the beginning of the year			30,290		28,623
Less deconsolidation of subsidiary cash	24		-		(1,773)
Cash and cash equivalents at the end of the year	14		34,963		30,290

Notes 1 to 27 on pages 100 to 164 form part of these accounts.

Consolidated Statement of Changes in Taxpayers' Equity

Year ended 31 March 2026

	General reserve	Revaluation reserve	Taxpayers' Equity
	£'000	£'000	£'000
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
Changes in Taxpayers' Equity for 2025-26			
Other reserves movements including transfers	759	(759)	-
Comprehensive Net Expenditure for the Year	(139,106)	440	(138,666)
Grants from sponsoring department:			
Cash	130,120	-	130,120
Notional	(45)	-	(45)
Reversal of notional costs	215	-	215
Balance at 31 March 2026	173,023	26,196	199,219

Notes **1 to 27** on pages 100 to 164 form part of these accounts.

Statement of Changes in Taxpayers' Equity – Invest NI
 Year ended 31 March 2026

	General reserve	Revaluation reserve	Taxpayers' Equity
	£'000	£'000	£'000
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
Changes in Taxpayers' Equity for 2025-26			
Other reserves movements including transfers	759	(759)	-
Comprehensive Net Expenditure for the Year	(141,188)	(39)	(141,227)
Grants from sponsoring department:			
Cash	130,120	-	130,120
Notional	(45)	-	(45)
Reversal of notional costs	215	-	215
Balance at 31 March 2026	139,424	18,443	157,867

Notes **1 to 27** on pages 100 to 164 form part of these accounts.

Notes to the Accounts

Year ended 31 March 2026

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 2025-26 *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 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 1, First-time Adoption of International Financial Reporting Standards (July 2024)
- Implementation of IFRS 7, Classification and measurement of financial instruments (May 2024)
- Implementation of IFRS 7, Annual Improvements to IFRS Accounting Standards (July 2024)
- Implementation of IFRS 9, Classification and measurement of financial instruments (May 2024)
- Implementation of IFRS 9, Annual Improvements to IFRS Accounting Standards (July 2024)
- Implementation of IFRS 10, Annual Improvements to IFRS Accounting Standards (July 2024)
- Implementation of IAS 7, Annual Improvements to IFRS Accounting Standards (July 2024)

Notes to the Accounts
Year ended 31 March 2026

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 S2, Climate-related disclosures (2025)
- Amendment to IAS 21, The Effects of foreign exchange rates (November 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.

Amendment to IFRS 18, Presentation and Disclosures in Financial Statements (April 2024), will replace IAS 1 Presentation of Financial Statements and is effective for annual reporting periods beginning on or after the 1 January 2027 in the private sector. The impact of IFRS 18 on the Public Sector is still being assessed, and a decision has not yet been taken on an implementation date.

Amendment to IFRS 19, Subsidiaries without Public Accountability (April 2024), allows eligible subsidiaries to apply IFRS Accounting Standards with reduced disclosure requirements and is effective for annual reporting periods beginning on or after the 1 January 2027 in the private sector. The impact of IFRS 19 on the Public Sector is still being assessed, and a decision has not yet been taken on an implementation date.

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.

Notes to the Accounts
Year ended 31 March 2026**1. ACCOUNTING POLICIES (CONTINUED)****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.

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 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. ONS recommenced the publication of Producer Price Indices in October 2025 following a period of reviewing, correcting and quality assuring the index weights and chain-linking methodology. ONS noted in their statement that the indices previously published are now available in the PPI time series dataset. In line with previous years, the March indices have been applied in 2025-26 to calculate the indexation of non-property assets. The review and correction to the Producer Price Indices from October 2025 did not cause the value of the non-property assets to be materially misstated in the 2024-2025 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.

Notes to the Accounts

Year ended 31 March 2026

1. ACCOUNTING POLICIES (CONTINUED)

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.

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 licenses for internal recording and reporting systems, are measured at cost. 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, 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 assets

At each reporting date, Invest NI reviews the carrying amounts of its tangible 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.

Notes to the Accounts
Year ended 31 March 2026

1. ACCOUNTING POLICIES (CONTINUED)

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.

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

Notes to the Accounts

Year ended 31 March 2026

1. ACCOUNTING POLICIES (CONTINUED)

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.

- **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.

Notes to the Accounts
Year ended 31 March 2026

1. ACCOUNTING POLICIES (CONTINUED)

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.

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

Notes to the Accounts
Year ended 31 March 2026

1. ACCOUNTING POLICIES (CONTINUED)

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.

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

Notes to the Accounts

Year ended 31 March 2026

1. ACCOUNTING POLICIES (CONTINUED)

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.

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.

Notes to the Accounts
Year ended 31 March 2026

1. ACCOUNTING POLICIES (CONTINUED)

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.

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 2026

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

Notes to the Accounts

Year ended 31 March 2026

1. ACCOUNTING POLICIES (CONTINUED)

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.

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 2026

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 2026-27 has been approved at an opening value of £139.1m, of which £78.9m relates to Resource funding and £60.2m to Capital funding, for the continuation of Invest NI services. Planned activities for 2026-27 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 2026

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:

- Corporate Services Group
- Development Group
- Clients & Global Markets Group
- Board and CEO

The results of NI-CO are included separately as discontinued operations for 2024-25 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 Corporate Services segment.

Services provided by each segment

- The Corporate Services Group provides a range of corporate and enabling functions to the wider organisation. These include financial management, corporate risk management, assurance and governance support, legal advice, business appraisal, offers and claims management, the oversight of organisational performance, compliance and co-ordination and overseeing the management of the BSDL Group.

The Group is responsible for People & Culture, promoting strong people development and organisational culture, delivering core HR services and managing workplace services.

The Group also leads on marketing and communications, developing and implementing an integrated marketing, communications and engagement strategy for the organisation across both domestic and international markets.

Through its Corporate Finance function, the Group provides support to businesses by offering financial solutions to assist companies to grow and scale.

Economist Services within the Group support 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. The function provides economic analysis, advice and insight to inform policy development, programme design and investment decisions.

Internal Operations within the Group provide a range of internal support services to ensure the effective day-to-day operation of the organisation.

- The Clients & Global Markets Group leads Invest NI's engagement with the organisation's portfolio of domestically and internationally owned clients operating in priority sectors for the NI economy including Advanced Manufacturing & Engineering, Life & Health Sciences, Agri-Food & Drink, Digital ICT and Financial & Professional Services. The Group's expertise spans client management, trade & investment support and sector development delivered through its teams in Northern Ireland and across the Invest NI global network in GB/Europe, IMEA, APAC and the Americas. Levering these capabilities and drawing on the organisation's suite of interventions, the Clients & Global Markets Group is focussed on stimulating business investment, driving productivity, accelerating export growth, enhancing competitiveness and attracting mobile foreign-direct investment.

Notes to the Accounts
Year ended 31 March 2026

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

- The Development Group strengthens the growth, productivity and competitiveness of Northern Ireland businesses through innovation, regional, skills and place-based interventions.

The Group promotes, embeds and invests in Innovation, Research & Development (IRD), providing advisory and financial support to businesses. It works collaboratively with sectoral, regional and international teams to align innovation support to business need at each stage of development, and partners with other funding bodies to maximise impact.

The Group delivers skills and competitiveness programmes that raise productivity and capability, including leadership development, operational excellence, supply chain development, skills development, clustering and collaborative networks.

Support for new and existing businesses is delivered through the Regional Office Network, with teams based in Newry, Omagh, Derry/Londonderry, Belfast and Ballymena. These teams promote local entrepreneurship and help start-ups and established businesses grow through innovation, skills development and export. The Regional Offices manage a significant proportion of Invest NI's client portfolio and play a key role in securing new business investment and reinvestment, while supporting collaborative working with local councils and stakeholders.

The Group also supports the creation and growth of early-stage, technology-based, innovation-driven start-ups (IDSUs) with high growth potential through targeted interventions. It promotes inclusive entrepreneurship through tailored support for women-led businesses.

The Group manages Invest NI's property portfolio and, through its Property Team, delivers tailored property solutions that help businesses establish and expand operations.

Responsibility for City & Growth Deals also sits within the Group, supporting partners to develop and secure approval for strong, industry-led, commercially focused projects that contribute to economic recovery and long-term growth.

- The Board and CEO are responsible for Invest NI's performance and strategic direction.

As noted on page 62, on 29 August 2024 NI-CO entered a Members Voluntary Liquidation. The results up until this date have been included in the 2024-25 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 and 31 March 2026. Further analysis is provided in note 24.

Notes to the Accounts

Year ended 31 March 2026

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

2026

	Gross expenditure	Income	Total net expenditure per CSoCNE
	£'000	£'000	£'000
Board & CEO	580	-	580
Commercial Group	66,584	(1,257)	65,327
Corporate Services Group	56,215	(1,763)	54,452
Development Group	18,295	(1,363)	16,932
Total	141,674	(4,383)	137,291

Reconciliation to CSoCNE

Net finance expense	635
Tax on ordinary activities	1,180

Net expenditure for the financial year after taxation **139,106**

2025 (restated)*

	Gross expenditure	Income	Total net expenditure per CSoCNE
	£'000	£'000	£'000
Board & CEO	940	-	940
Commercial Group	67,199	(584)	66,615
Corporate Services Group	22,214	(2,823)	19,391
Development Group	14,817	(638)	14,179
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**

*2024-25 prior year figures have been restated to reflect the updated segmental structure for 2025-26 for comparison purposes

Notes to the Accounts

Year ended 31 March 2026

3. EXPENDITURE

	Group		Invest NI	
	2026 £'000	2025 £'000	2026 £'000	2025 £'000
Staff costs				
Wages and salaries	34,191	33,933	34,191	33,933
Social security costs	3,680	2,952	3,680	2,952
Other pension costs	8,996	8,553	8,996	8,553
Recoveries in respect of outward secondments and others	(42)	(100)	(185)	(235)
	46,825	45,338	46,682	45,203
Purchase of goods and services				
Programme support	16,527	16,943	16,527	16,943
Rentals under operating leases	286	304	535	599
PFI (and other service concession arrangements) service charges	-	-	293	287
Other administration expenses	3,292	3,411	3,651	3,645
Cost of servicing contracts	2,312	2,161	-	-
Auditor's remuneration – notional	215	160	215	160
Other notional costs	-	220	-	220
Fees payable to auditors for:				
Audit services	29	29	-	-
Non-audit services	2	2	-	-
	22,663	23,230	21,221	21,854
Depreciation and impairment charges				
Depreciation (note 7 & 21)	2,304	2,244	6,841	6,733
Amortisation (note 9)	1,599	1,797	1,599	1,797
Asset impairment (note 7)	56	309	56	309
	3,959	4,350	8,496	8,839
Increase/(decrease) in provisions	5,661	2,096	5,661	2,096
Other operating expenditure				
Grants	49,676	38,842	49,676	38,842
Programme support activities	1,273	1,717	1,273	1,717
Property acquisition and development	316	103	316	103
Loss/(Profit) on disposal of Property, Plant and Equipment	3	15	3	15
(Profit)/Loss on disposal of Financial assets	(2,077)	(235)	(2,077)	(235)
Financial instruments gains or losses (note 4)	14,801	(12,813)	14,801	(12,813)
Share of results of associates (note 11)	(1,426)	2,527	(1,426)	2,527
	62,566	30,156	62,566	30,156

Notes to the Accounts

Year ended 31 March 2026

3. EXPENDITURE (CONTINUED)

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

Total operating expenditure	Group		Invest NI	
	2026	2025	2026	2025
	£'000	£'000	£'000	£'000
Staff costs	46,825	45,338	46,682	45,203
Other COVID-19 Response grants	305	290	305	290
Revenue grants	8,604	11,779	8,604	11,779
Innovation, research and development	21,866	13,409	21,866	13,409
Capital grants	14,022	8,690	14,022	8,690
Skills grants and competitiveness programmes	4,744	5,203	4,744	5,203
International Business support	4,887	4,771	4,887	4,771
Promotion and marketing	6,487	6,438	6,487	6,438
Programme support activities	4,071	4,064	4,071	4,064
Property acquisition and development	2,806	2,961	2,806	2,961
Rentals under operating leases	286	304	535	599
PFI (and other service concession arrangements) service charges	-	-	293	300
Other administration expenses	3,292	3,411	3,651	3,632
Cost of servicing contracts	2,312	2,161	-	-
Fees payable to auditors for:				
Audit services	29	29	-	-
Non-audit services	2	2	-	-
Depreciation and impairment charges	3,959	4,350	8,496	8,839
Auditor's remuneration – notional	225	160	225	160
Other notional costs	-	220	-	220
Loss/(Profit) on disposal of Property, Plant and Equipment	3	15	3	15
(Profit) on disposal of Financial assets	(2,077)	(235)	(2,077)	(235)
Financial instruments gains or losses (note 4)	14,801	(12,813)	14,801	(12,813)
Share of results of associates (note 11)	(1,426)	2,527	(1,426)	2,527
Increase/(decrease) in provisions	5,661	2,096	5,661	2,096
Total operating expenditure from continuing operations	141,674	105,170	144,626	108,148
Operating expenditure from discontinued operations (note 24)	-	235	-	-
Total operating expenditure	141,674	105,405	144,626	108,148

Notes to the Accounts

Year ended 31 March 2026

4. FINANCIAL INSTRUMENTS GAINS OR LOSSES

	Group		Invest NI	
	2026	2025	2026	2025
	£'000	£'000	£'000	£'000
Fair value adjustment on shares and convertible loan notes (note 12)	14,158	(13,451)	14,158	(13,451)
ECL allowance on fixed rate loans (note 12)	442	1	442	1
ECL allowance on trade receivables (note 20)	204	721	204	721
Fair value adjustment on re-measurement of financial assets held at amortised cost (note 12)	(3)	(77)	(3)	(77)
Fair value movement on other receivables	-	(7)	-	(7)
	14,801	(12,813)	14,801	(12,813)

5. INCOME

	Group		Invest NI	
	2026	2025	2026	2025
	£'000	£'000	£'000	£'000
Revenue from contracts with customers				
Recoupment of programme expenditure and related costs from client companies and third parties	916	900	916	900
Other	424	408	-	-
	1,340	1,308	916	900
Other operating income				
Other*	824	597	824	597
Property rent	852	896	304	343
Interest income on financial assets at amortised cost	145	204	145	204
Share dividend income	107	-	107	-
Grant clawback	475	1,040	475	1,040
Core programme receipts from EU	640	-	640	-
	3,043	2,737	2,495	2,184
Total income from continuing operations	4,383	4,045	3,411	3,084
Income from discontinued operations	-	-	-	-
Total income	4,383	4,045	3,411	3,084

Notes to the Accounts
Year ended 31 March 2026

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	
	2026	2025	2026	2025
	£'000	£'000	£'000	£'000
Consolidated Fund Income	2,199	244	2,199	244
Amounts payable to the Consolidated Fund	(2,199)	(244)	(2,199)	(244)
Balance at the end of the year	-	-	-	-

6. TAXATION

(i) Tax charge in the year

	Group		Invest NI	
	2026	2025	2026	2025
	£'000	£'000	£'000	£'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)	-	-
Current tax on loss/profit for the year	1,131	949	-	-
Total current tax	1,131	13	-	-
Deferred tax:				
Origination and reversal of temporary differences	49	82	-	-
Impact of rate changes	-	-	-	-
Total deferred tax	49	82	-	-
Total tax charge	1,180	95	-	-

Notes to the Accounts

Year ended 31 March 2026

6. TAXATION (CONTINUED)

(ii) Factors affecting tax charge

	Group	
	2026	2025
	£'000	£'000
Net expenditure before taxation from continuing operations	(137,901)	(101,325)
Net expenditure before taxation multiplied by the standard rate of Corporation Tax in the UK of 25% (2025: 25%)	(34,475)	(25,331)
Tax effects of:		
Add: expenditure not deductible for tax purposes	38,495	27,014
Less: income not subject to tax	(2,960)	(771)
Tax relief applied	-	-
Tax losses brought forward	-	-
Origination and reversal of temporary differences	49	82
Capital allowances	123	106
Impact of rate changes	-	-
Adjustments in respect of previous periods	-	(936)
Exempt amounts	(52)	(69)
Total tax charge	1,180	95

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 2026

6. TAXATION (CONTINUED)

(iii) Deferred tax

Invest NI

Invest NI has not recognised deferred tax assets of £569,128 (2025: £594,450) in relation to brought forward tax losses at 1 April 2026 of £2,277,000 (1 April 2025: £2,378,000), 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 2025 – asset/(liability)	157	(137)	(1,468)	(803)	(2,251)
Credited/(charged) to Net Expenditure	(52)	-	2	-	(50)
Credited/(charged) to Other Net Expenditure	-	-	-	-	-
At 31 March 2026	105	(137)	(1,466)	(803)	(2,301)

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

	Group	
	2026	2025
	£'000	£'000
Fair value gains on Property, plant and equipment		
Before tax (note 7)	440	1,137
Tax credit/(charge)	-	-
After tax	440	1,137

Notes to the Accounts

Year ended 31 March 2026

7. PROPERTY, PLANT AND EQUIPMENT

	Group				
	Land £'000	Buildings £'000	Computer equipment £'000	Fixtures & fittings £'000	Total £'000
Cost/Valuation:					
At 1 April 2025	39,689	25,245	4,895	4,369	74,198
Additions	2,962	-	-	280	3,242
Disposals	(823)	(1,546)	(100)	(290)	(2,759)
Revaluations	(152)	60	(145)	102	(135)
Transfer to assets held for sale	(835)	-	-	-	(835)
Impairment (note 3)	(56)	-	-	-	(56)
At 31 March 2026	40,785	23,759	4,650	4,461	73,655
Depreciation:					
At 1 April 2025	-	2,765	3,902	1,630	8,297
Charge for year (note 3)	-	540	571	382	1,493
Revaluations	-	(480)	(127)	32	(575)
Disposals	-	(766)	(100)	(198)	(1,064)
At 31 March 2026	-	2,059	4,246	1,846	8,151
Net Book Value:					
1 April 2025	39,689	22,480	993	2,739	65,901
31 March 2026	40,785	21,700	404	2,615	65,504

Notes to the Accounts
Year ended 31 March 2026

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 2025	34,088	4,763	4,768	2,923	46,542
Additions	2,962	-	-	170	3,132
Disposals	(823)	(1,546)	(100)	(290)	(2,759)
Transfer to assets held for sale (note 15)	(835)	-	-	-	(835)
Revaluations	(152)	60	(145)	102	(135)
Impairment (note 3)	(56)	-	-	-	(56)
At 31 March 2026	35,184	3,277	4,523	2,905	45,889
Depreciation:					
At 1 April 2025	-	2,183	3,783	971	6,937
Charge for year (note 3)	-	60	566	249	875
Disposals	-	(766)	(100)	(199)	(1,065)
Revaluations	-	-	(127)	31	(96)
At 31 March 2026	-	1,477	4,122	1,052	6,651
Net Book Value:					
1 April 2025	34,088	2,580	985	1,952	39,605
31 March 2026	35,184	1,800	401	1,853	39,238

Notes to the Accounts

Year ended 31 March 2026

7. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

	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 2026

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

IAS 16 requires measurement at fair value. Land and property was re-valued by LPS on 31 March 2026, 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 2026 are as follows:

	Level 1	Level 2	Level 3	Fair value as at 31 March 2026
	£'000	£'000	£'000	£'000
Land	-	40,785	-	40,785
Buildings	-	21,700	-	21,700

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 2026

8. INVESTMENT PROPERTIES

	Group £'000
At 1 April 2024	7,600
Gain arising on fair value adjustment	-
At 1 April 2025	7,600
Gain arising on fair value adjustment	-
At 31 March 2026	7,600

The investment property was revalued at 31 March 2026 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 2026 are as follows:

	Level 1	Level 2	Level 3	Fair value as at 31 March 2026
	£'000	£'000	£'000	£'000
Investment property	-	7,600	-	7,600

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

9. INTANGIBLE ASSETS

	Goodwill	Software licences	Group Software development	Total
	£'000	£'000	£'000	£'000
Cost/Valuation:				
At 1 April 2025	20,031	2,371	6,144	28,546
Additions	-	404	1,915	2,319
Disposals	-	(708)	-	(708)
At 31 March 2026	20,031	2,067	8,059	30,157
Amortisation/Impairment:				
At 1 April 2025	10,101	1,981	4,787	16,869
Charge for year (note 3)	-	369	1,230	1,599
Disposals	-	(708)	-	(708)
At 31 March 2026	10,101	1,642	6,017	17,760
Net book value:				
1 April 2025	9,930	390	1,357	11,677
31 March 2026	9,930	425	2,042	12,397

Notes to the Accounts

Year ended 31 March 2026

9. INTANGIBLE ASSETS (CONTINUED)

	Software licences £'000	Invest NI Software development £'000	Total £'000
Cost/valuation:			
At 1 April 2025	2,371	6,144	8,515
Additions	404	1,915	2,319
Disposals	(708)	-	(708)
At 31 March 2026	2,067	8,059	10,126
Amortisation:			
At 1 April 2025	1,981	4,787	6,768
Charge for year (note 3)	369	1,230	1,599
Disposals	(708)	-	(708)
At 31 March 2026	1,642	6,017	7,659
Net book value:			
1 April 2025	390	1,357	1,747
31 March 2026	425	2,042	2,467

Details of the group's intangible assets and information about the fair value hierarchy as at 31 March 2026 are as follows:

	Level 1 £'000	Level 2 £'000	Level 3 £'000	Fair value as at 31 March 2026 £'000
Goodwill	-	-	9,930	9,930
Software licences	-	425	-	425
Software development	-	2,042	-	2,042

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

Notes to the Accounts
Year ended 31 March 2026

9. INTANGIBLE ASSETS (CONTINUED)

	Goodwill	Software licences	Group Software development	Total
	£'000	£'000	£'000	£'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 2026

9. INTANGIBLE ASSETS (CONTINUED)

	Software licences £'000	Invest NI 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 2025	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

Impairment tests for goodwill

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

	2026 £'000	2025 £'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 2026

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	2026	2025
Gross margin	MRDE	63%	63%
Future rentals (per sq. ft.)	BSDL & MRDE	£25.50	£25
Discount rate	BSDL & MRDE	6.75%	7.50%

Future rentals are based on information supplied at 31 March 2026.

The Bank of England base rate decreased to 3.75% by 31 March 2026 (2025: 4.50%), 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	
	2026	2025
	£'000	£'000
At 1 April	17,393	17,593
Discontinued operations	-	(200)
At 31 March	17,393	17,393

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 2026

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:

As noted on page 21, on 29 August 2024 NI-CO entered Members Voluntary Liquidation. The results up until this date were included in the Invest NI Group Statement of Comprehensive Net Expenditure for 2024-25. 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 and 31 March 2026. The NI-CO results are therefore included in the group accounts in the comparative 2024-25 year only for the period from 01 April 2024 to 29 August 2024. The liquidation remains ongoing. Further analysis is provided in note 24.

11. INVESTMENTS IN ASSOCIATES

(i) Share of results in associates:

	Group and Invest NI	
	2026	2025
	£'000	£'000
Share of net assets of associates:		
At 1 April	72,595	75,449
At 31 March	86,270	72,595
(Increase)/Decrease	13,675	(2,854)
Distributions from associates (note 26)	14,775	8,679
Less additional capital paid in during year (note 26)	(27,024)	(8,352)
Share of results recorded in Net Expenditure (note 3)	1,426	(2,527)

(ii) Summarised financial information on a combined basis:

	Group and Invest NI	
	2026	2025
	£'000	£'000
Non-Current Assets	92,044	92,925
Current Assets	12,113	9,504
Current Liabilities	(180)	(693)
Non-Current Liabilities		
Net Assets	103,977	101,736
Revenue	4,272	4,695
(Loss)	5,731	(1,667)
Other comprehensive income	-	-
Total comprehensive (expenditure)/income	5,731	(1,667)
Distributions from associates	14,775	8,679

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

Notes to the Accounts

Year ended 31 March 2026

11. INVESTMENTS IN ASSOCIATES (CONTINUED)

(iii) Net investment in associates:

	Group and Invest NI	
	2026	2025
	£'000	£'000
NITECH Growth Fund Limited Partnership (NITECH)	45	23
NI Growth Loan Fund	-	473
NI Small Business Loan Fund	-	12
Techstart NI SME Equity Limited Partnership (Techstart)	14,711	15,215
QUB Equity Limited Partnership	286	396
Ulster Equity Limited Partnership	934	945
NI Growth Loan Fund II	8,719	14,633
NI Small Business Loan Fund II	2,641	3,786
Growth Finance Fund	8,178	9,812
Techstart Ventures II LP	31,872	25,502
Co-Fund III	4,547	1,798
NI Small Business Loan III	1,541	-
Techstart Ventures III	3,195	-
Investment Fund NI	9,601	-
Net investment in associates	86,270	72,595

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 was a limited partner of the NI Growth Loan Fund, a partnership established in May 2012 and operated in Northern Ireland. It was a limited partnership managed by Whiterock Capital Partners LLP. The Growth Loan Fund provided loans, primarily unsecured in nature, typically between £50,000 and £500,000 to businesses that could demonstrate sales and profitability growth or growth potential. The Fund targeted businesses with export potential, mainly in the manufacturing, engineering or tradable services sectors. The partnership had an initial term of ten years but was extended by four years, two years to the investment period and two years to the collection period. The fund closed on 31st March 2026.

NI Small Business Loan Fund

Invest NI was the limited partner of the NI Small Business Loan Fund LP, a partnership which was established in January 2013. It is a limited partnership registered in Northern Ireland and was managed by Ulster Community Investment Trust. 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.

Notes to the Accounts
Year ended 31 March 2026

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 from an operational basis, subject to final wind-up procedures.

Crescent Capital III LP (ERDF *)

Invest NI was a limited partner of the Crescent Capital III LP Development Fund, a partnership established in July 2013. The Fund was 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 was extended until July 2025 and has now closed.

Kernel Capital Growth Fund (NI) (ERDF *)

Invest NI was a limited partner in the Kernel Capital Growth Fund, a partnership established in October 2013. 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. Invest NI retired from the partnership on 19 December 2025.

Techstart NI SME Equity Limited Partnership (ERDF *)

Invest NI is the limited partner of the Techstart NI SME Equity Limited Partnership which was established in July 2014 and operates in Northern Ireland. This is a limited partnership registered in Northern Ireland and is managed by Techstart Ventures LLP. 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 Northern Ireland. 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 *)

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 Northern Ireland. It 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 2026

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 Northern Ireland. 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 provided 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. The fund is no longer approving new loans and has entered the collections period.

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 consented to extending the fund by £7.5m and 1 further year of investment, resulting in a £37.5m, 11 year fund, managed by Whiterock Capital Partners LLP. The Growth Finance Fund operates in Northern Ireland, providing loans typically between £500,000 and £2,000,000 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 Northern Ireland. 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 Northern Ireland. 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.

NI Small Business Loan Fund III

Invest NI is the limited partner of the NISBLF III LP, a partnership established in May 2025 and operates in Northern Ireland. The partnership has a term of ten years. The Fund is managed by Ulster Community Finance on behalf of Invest Northern Ireland. The Fund provides unsecured loans between £10,000 and £125,000 to individuals, private companies and social enterprises in the SME and micro enterprise size range, in the start-up and growth phases of development.

Techstart Ventures III Limited Partnership

Invest NI is a limited partner of the Techstart Ventures III Limited Partnership which was established in May 2025 and operates in Northern Ireland. 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 Northern Ireland and it has an initial term of ten years. The fund has an investment range of £50k to £1m for its first investment in a business with potential for follow-on investment.

Notes to the Accounts

Year ended 31 March 2026

11. INVESTMENTS IN ASSOCIATES (CONTINUED)

Investment Fund for Northern Ireland

The Investment Fund for Northern Ireland has been operating in Northern Ireland since 2023 with a £30m investment by BBB. In December 2025 Invest NI entered the fund, topping it up with a further £29.2m. The fund is therefore now a £59.2m fund and has a term of eleven years. The fund operates in Northern Ireland, providing loans typically between £25k - £2m to NI SMEs that are growing and scaling. The fund is managed by Whiterock Capital Partners LLP and is currently in the investment period.

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

12. FINANCIAL ASSETS

The group holds the following financial assets:

	Group and Invest NI	
	2026	2025
	£'000	£'000
Financial assets at amortised cost		
Fixed rate loans	1,267	2,377
Financial assets at fair value through profit or loss (FVPL)		
Investments in ordinary shares	31,109	45,404
Investments in preference shares	12,621	12,645
Convertible loan notes	2,135	1,730
	47,132	62,156

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 2025	45,404	12,645	1,730	59,779
Additions	1,273	-	538	1,811
Conversions	225	-	(225)	-
Repayments and disposals	(1,491)	(56)	(20)	(1,567)
Dividend income	107	-	-	107
Dividends received	(107)	-	-	(107)
Fair value adjustment (note 4)	(14,302)	32	112	(14,158)
Fair value at 31 March 2026	31,109	12,621	2,135	45,865

Notes to the Accounts

Year ended 31 March 2026

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 2025	3,626	110	3,736
Additions	-	-	-
Repayments	(658)	-	(658)
Interest received	(158)	-	(158)
Interest income on financial assets at amortised cost	145	-	145
Fair value adjustment on re-measurement (note 4)	3	-	3
Amount written off	(46)	-	(46)
At 31 March 2026	2,912	110	3,022
Loss allowance			
At 1 April 2025	1,249	110	1,359
ECL allowance (note 4)	442	-	442
Amount written off	(46)	-	(46)
At 31 March 2026 (note 20)	1,645	110	1,755
Net balance			
1 April 2025	2,377	-	2,377
31 March 2026	1,267	-	1,267

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	
	2026 £'000	2025 £'000
Gross carrying amount		
Fixed rate loans	2,911	3,626
Variable rate loans	110	110
	3,021	3,736
Loss allowance (note 20)	(1,755)	(1,359)
	1,267	2,377

Notes to the Accounts

Year ended 31 March 2026

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 2026 are as follows:

	Level 1	Level 2	Level 3	Fair value as at 31 March 2026
	£'000	£'000	£'000	£'000
Investments in ordinary shares	3	1,290	29,816	31,109
Investments in preference shares	-	-	12,621	12,621
Convertible loan notes	-	-	2,135	2,135
	3	1,290	44,572	45,865

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

	Level 1 (restated)	Level 2 (restated)	Level 3 (restated)	Fair value as at 31 March 2025
	£'000	£'000	£'000	£'000
Investments in ordinary shares	5	993	44,406	45,404
Investments in preference shares	-	-	12,645	12,645
Convertible loan notes	-	-	1,730	1,730
	5	993	58,781	59,779

There were no transfers between levels during the years. In the prior year the fair value hierarchy was incorrectly disclosed, as such, Invest NI have restated the prior year hierarchy to more accurately reflect the valuation techniques in place. Further detail on the valuation process for level 3 fair values is noted on page 138.

Notes to the Accounts

Year ended 31 March 2026

12. FINANCIAL ASSETS (CONTINUED)

Valuation processes for level 3 fair values

All material financial assets are defined as level 3 instruments except for those listed on a recognised stock exchange. Fair values of financial assets are determined at the end of each financial year by suitably qualified professionals using recognised valuation techniques.

The following table sets out the reconciliation of the opening and closing balances for level 3 financial assets fair value measurements as at 31 March 2026:

	Group and Invest NI
	£'000
At 1 April 2025	58,781
Additions	1,811
Repayments and disposals	(1,569)
Fair value adjustment	(14,451)
At 31 March 2026	44,572

The following section sets out the valuation techniques used in the determination of fair values within level 3 including the key unobservable inputs used and the relationship between unobservable inputs to fair value:

Financial assets – held at fair value through profit or loss

Invest NI holds a number of investments across a range of different instruments, including equity, preference shares and convertible loan notes. Shares which have voting rights attached are treated as equity and will be valued on a fair value basis in line with industry standards. Fair value is the price that would be received to sell an asset in an orderly transaction between market participants given current market conditions at the measurement date.

Debt instruments will be similarly valued on a fair value basis. Cost may be the best indicator of fair value, unless market or company specific conditions exist, which would indicate that fair value differs from cost.

Several valuation techniques may be considered for use in estimating fair value, with judgement applied when considering case-specific factors or terms of the investment which may impact fair value. Valuation techniques that will be considered, include price of recent investment, earnings multiple, turnover multiple, net asset value, indicative offers and for listed companies available market prices. The key selection criteria for the valuation technique adopted is it should be appropriate given the nature, facts and circumstances of the investment.

The Invest NI portfolio comprises mostly unquoted investments in seed, start up and early stage companies for which there is not active market and in many cases the portfolio companies are pre-revenue or loss making (or both), which rules out earnings or turnover multiple based valuation techniques. Consequently, the fair value of the majority of investments is established by reference to valuation placed on the investee company at the most recent round of investment or price of recent investment; however Invest NI will take into account the circumstances of the funding round, current company performance relative to plan and any subsequent events which may impact on fair value.

Notes to the Accounts

Year ended 31 March 2026

12. FINANCIAL ASSETS (CONTINUED)

The valuation basis for the equity portfolio at the 31 March 2026 is as follows:

Valuation basis	% of equity portfolio
Price of recent investment	88.4%
Turnover multiple	-
Earnings multiple	-
Asset Valuation	2.6%
Indicative offer price	6.2%
Listed share price	2.8%
Total	100%

Given that the majority of investments are valued using the price of recent investment, formal quantitative sensitivity analysis is not considered appropriate. Instead, sensitivity is assessed qualitatively by considering alternative downside scenarios, the robustness of recent funding evidence, company performance, cash runway, milestone delivery and the timing of subsequent events. Where investments mature and valuation techniques based on observable metrics become more relevant, quantitative sensitivities may be applied, although this is not typically applicable to the current portfolio.

Financial assets – held at amortised cost

For loans held at amortised cost, future cash flows are discounted to measure fair value, Invest NI uses the higher of the of the rate intrinsic to the financial instrument. A provision for impairment is established if there is objective evidence that Invest NI will not be able to collect all amounts due according to the terms of the investment.

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

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 £16.9m 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

Notes to the Accounts Year ended 31 March 2026

12. FINANCIAL ASSETS (CONTINUED)

£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 2026, Invest NI has provided £26.4m 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. At the reporting date, £0.46m of investments by way of convertible loan notes remain included under the investments in convertible loan notes, as well as £1.5m of equity investments.

13. TRADE RECEIVABLES AND OTHER RECEIVABLES

	Group		Invest NI	
	2026	2025	2026	2025
	£'000	£'000	£'000	£'000
Amounts falling due within one year:				
Trade receivables	11,533	12,384	11,441	12,381
Loss allowance (note 20)	(8,429)	(9,265)	(8,429)	(9,265)
	3,104	3,119	3,012	3,116
Other receivables	2,899	6,855	2,899	6,855
Amounts due from subsidiaries	-	-	144	136
Other taxes and social security	16	-	8	-
Current tax asset	-	702	-	-
Prepayments	2,678	2,440	2,675	2,419
Accrued income				
Other	332	95	328	58
	9,029	13,211	9,066	12,584
Amounts falling due after more than one year:				
Other receivables	481	568	481	568
	481	568	481	568

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

Notes to the Accounts Year ended 31 March 2026

13. TRADE RECEIVABLES AND OTHER RECEIVABLES (CONTINUED)

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.

14. CASH AND CASH EQUIVALENTS

	Group		Invest NI	
	2026 £'000	2025 £'000	2026 £'000	2025 £'000
Balance at 1 April	30,290	28,623	2,493	899
Net change in cash and cash equivalent balances	4,673	1,667	1,534	1,594
Balance at 31 March	34,963	30,290	4,027	2,493
The following balances at 31 March were held at:				
Commercial banks and cash in hand	34,963	30,290	4,027	2,493
Balance at 31 March	34,963	30,290	4,027	2,493

Reconciliation of liabilities arising from financing activities

	Group			31 March 2026 £'000
	31 March 2025 £'000	Cash flows £'000	Non-cash movements £'000	
Bank loans (note 17)	13,678	(652)	13	13,039
Financial instrument (note 20)	626	-	(209)	417
	14,304	(652)	(196)	13,456

Notes to the Accounts

Year ended 31 March 2026

15. ASSETS HELD FOR SALE

	Land £'000	Group Buildings £'000	Total £'000
At 1 April 2025	143	-	143
Disposals	(143)	-	(143)
Transfers from property, plant and equipment	835	-	835
At 31 March 2026	835	-	835

	Land £'000	Invest NI Buildings £'000	Total £'000
At 1 April 2025	143	-	143
Disposals	(143)	-	(143)
Transfers from property, plant and equipment	835	-	835
At 31 March 2026	835	-	835

Four pieces of land are included in assets held for sale at 31 March 2026. One piece of land was included as assets held for sale at 31 March 2025.

16. TRADE PAYABLES AND OTHER PAYABLES

	Group		Invest NI	
	2026	2025	2026	2025
	£'000	£'000	£'000	£'000
Amounts due within one year:				
Trade payables and accruals	9,627	8,121	9,498	8,044
Accrued grant payables	11,719	9,999	11,719	9,999
Other taxation and social security	-	714	-	714
Amount owed to subsidiaries	-	-	182	184
EU payables	-	1,011	-	1,011
Other payables	3,364	3,367	3,361	3,367
Deferred income	651	355	608	345
Amounts due to DfE: other income surrendered	2,682	1,618	2,682	1,618
	28,043	25,185	28,050	25,282

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

Notes to the Accounts

Year ended 31 March 2026

17. BORROWINGS

	Group		Invest NI	
	2026	2025	2026	2025
	£'000	£'000	£'000	£'000
Current				
Bank Loans	829	638	-	-
	829	638	-	-
Non-current				
Bank loans	12,210	13,040	-	-
	12,210	13,040	-	-

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.

Maturity of financial liabilities

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

	Group	
	2026	2025
	£'000	£'000
Bank loans		
Amounts due in less than one year	831	638
In more than one year but not more than two years	1,313	831
In more than two years but not more than five years	10,895	4,344
After more than five years	-	7,865
	13,039	13,678

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

	Group	
	2026	2025
	£'000	£'000
Bank loans		
Less than one year	1,611	1,462
In more than one year but not more than two years	2,033	1,611
In more than two years but not more than five years	12,329	6,231
After more than five years	-	8,139
	15,973	17,443

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

Notes to the Accounts

Year ended 31 March 2026

18. PROVISIONS FOR LIABILITIES AND CHARGES

(i) Amounts falling due within one year:

	Grants £000	Group Other £000	Total £'000
At 1 April 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)
	14,156	-	14,156
At 31 March 2025	14,519	160	14,679
Provided in the year	18,194	-	18,194
Under provision from prior year/ (Provisions not required written back)	(1,975)	(160)	(2,135)
	16,219	(160)	16,059
Provisions utilised in the year	(10,398)		(10,398)
	16,219	(160)	16,059
At 31 March 2026	20,340	-	20,340

Notes to the Accounts
Year ended 31 March 2026

18. PROVISIONS FOR LIABILITIES AND CHARGES (CONTINUED)

	Invest NI Grants £'000	Invest NI Other £'000	Invest NI Total £'000
At 1 April 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
Provided in the year	18,194	-	18,194
Under provision from prior year/ (Provisions not required written back)	(1,975)	(160)	(2,135)
	16,219	(160)	16,059
Provisions utilised in the year	(10,398)	-	(10,398)
At 31 March 2026	20,340	-	20,340

(ii) Analysis of expected timing of discounted flows

	Group	
	2026	2025
Provisions	£'000	£'000
Not later than one year	20,340	14,679
Balance at 31 March	20,340	14,679

	Invest NI	
	2026	2025
Provisions	£'000	£'000
Not later than one year	20,340	14,679
Balance at 31 March	20,340	14,679

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.

Notes to the Accounts

Year ended 31 March 2026

19. STATEMENT OF CASH FLOWS

Adjustments for non-cash transactions

	2026 £'000	2025 £'000
Notional expenditure on COVID-19 Business Support Schemes *	(45)	(106)
Notional costs (note 3)	215	380
Movement in Provisions for the year (note 18)	16,219	14,156
Depreciation (note 3)	2,304	2,244
Amortisation (note 3)	1,599	1,797
Loss/(Profit) on disposal of Property, plant and equipment	3	15
(Profit)/Loss on Financial asset disposal	(2,077)	(235)
Impairment (note 3)	56	309
Interest charge on lease liabilities	59	24
Financial instruments gains or losses (note 4)	14,359	(12,813)
Share dividend income (note 5)	(107)	-
Interest income on financial assets at amortised cost (note 12)	(145)	(183)
Share of results of associates (note 11)	(1,426)	2,527
Foreign exchange loss/(gain)	(977)	(277)
Net adjustment to ROU assets and lease liability	-	(15)
Derecognition of net assets on deconsolidation of subsidiary (note 24)	-	885
ECL allowance	442	-
Total non-cash transactions	30,479	8,708

* 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.

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.

Notes to the Accounts
Year ended 31 March 2026

20. FINANCIAL INSTRUMENTS (CONTINUED)

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 2025	9,265
Release of loss allowance on write off	(1,040)
ECL allowance on trade receivables (note 4)	204
Transfer to other receivables	-
Loss allowance on trade receivables at 31 March 2026	8,429

Notes to the Accounts

Year ended 31 March 2026

20. FINANCIAL INSTRUMENTS (CONTINUED)

	Current	Group More than 30 days past due	More than 90 days past due	More than 180 days past due	Total
At 31 March 2026					
Expected loss rate	4.0%	20.2%	3.3%	77.5%	71.5%
	£'000	£'000	£'000	£'000	£'000
Gross carrying amount	457	361	214	10,754	11,786
Loss allowance	18	73	7	8,331	8,429

	Current	Invest NI More than 30 days past due	More than 90 days past due	More than 180 days past due	Total
At 31 March 2026					
Expected loss rate	5.0%	20.2%	3.3%	77.0%	71.7%
	£'000	£'000	£'000	£'000	£'000
Gross carrying amount	367	361	212	10,813	11,753
Loss allowance	18	73	7	8,331	8,429

	Current	Group More than 30 days past due	More than 90 days past due	More than 180 days past due	Total
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

	Current	Invest NI More than 30 days past due	More than 90 days past due	More than 180 days past due	Total
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

Notes to the Accounts

Year ended 31 March 2026

20. FINANCIAL INSTRUMENTS (CONTINUED)

Fixed and variable rate loans – loss allowance

	12-month ECL £'000	Group and Invest NI Lifetime ECL £'000	Impaired £'000	Total loss allowance £'000
Fixed rate loans (note 12)	129	522	994	1,645
Variable rate loans (note 12)	-	-	110	110
Loss allowance at 31 March 2026	129	522	1,104	1,755

	12-month ECL £'000	Group and Invest NI 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

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

Notes to the Accounts
Year ended 31 March 2026

20. FINANCIAL INSTRUMENTS (CONTINUED)

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.

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 £417,000 (2025: £626,000) is obtained from counterparty valuation, and is based on observable market data.

The movement on the group's derivative financial instrument is as follows:

	2026	2025
	£'000	£'000
At 1 April	626	902
Fair value adjustment	(209)	(276)
Liability at 31 March	417	626

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 2026

21. LEASES

Invest NI as lessor

Net property rental income earned during the year was £303,000 (2025: £343,000). The group earned rental income of £851,000 (2025: £896,000). 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	
	2026	2025
	£'000	£'000
<u>Buildings:</u>		
Year 1	695	744
Year 2	342	425
Year 3	322	78
Year 4	215	58
Year 5	196	37
Onwards	3,778	3,411
	5,548	4,753

Obligations under operating leases for the following periods comprise:	Invest NI	
	2026	2025
	£'000	£'000
<u>Buildings:</u>		
Year 1	213	111
Year 2	182	108
Year 3	162	78
Year 4	55	58
Year 5	36	37
Onwards	3,375	3,411
	4,023	3,803

Notes to the Accounts

Year ended 31 March 2026

21. LEASES (CONTINUED)

Invest NI as lessee

Right-of-use assets

	Group		Invest NI		
	Buildings	Total	Buildings	PFI Lease	Total
	£'000	£'000	£'000	£'000	£'000
Cost:					
At 1 April 2025	4,056	4,056	4,056	43,299	47,355
Additions	1,565	1,565	1,565	-	1,565
Remeasurement of existing leases	-	-	-	355	355
At 31 March 2026	5,621	5,621	5,621	43,654	49,275
Accumulated Depreciation					
At 1 April 2025	2,068	2,068	2,068	14,873	16,941
Charge for year (note 3)	811	811	811	5,155	5,966
At 31 March 2026	2,879	2,879	2,879	20,028	22,907
Carrying Amount:					
1 April 2025	1,988	1,988	1,988	28,426	30,414
31 March 2026	2,742	2,742	2,742	23,626	26,368

The Group currently leases several regional and international office properties. The average remaining lease term is 3.1 years. Invest NI HQ is leased under a PFI arrangement from a group company with a remaining term of 4.6 years. Further information on the PFI is presented in note 23.

For Invest NI, the PFI contract was subject to an inflationary increase which resulted in the remeasurement of lease liability of £0.4m.

Amounts recognised in profit and loss:

	Group		Invest NI	
	2026	2025	2026	2025
	£'000	£'000	£'000	£'000
Depreciation expense on right-of-use assets	811	711	5,966	5,802
Interest expense on lease liabilities	59	24	308	318
Expense relating to short-term leases	59	78	59	78
	929	813	6,333	6,198

The total Group cash outflow for leases amount to £815,000 (2025: £725,000)

Notes to the Accounts
Year ended 31 March 2026

21. LEASES (CONTINUED)

Lease liabilities

Maturity analysis:

	Group		Invest NI	
	2026	2025	2026	2025
	£'000	£'000	£'000	£'000
Year 1	806	702	6,168	5,999
Year 2	847	501	6,209	5,798
Year 3	727	489	6,089	5,786
Year 4	495	355	5,857	5,652
Year 5	261	116	3,389	5,413
Onwards	44	-	44	3,089
	3,180	2,163	27,756	31,737
Less Interest element	(220)	(48)	(736)	(804)
Present Value of obligations	2,960	2,115	27,020	30,933
Analysed as:				
Current	723	682	5,884	5,732
Non-current	2,237	1,433	21,136	25,201
	2,960	2,115	27,020	30,933

The Group does not face a significant liquidity risk with regard to its lease liabilities.

22. OTHER FINANCIAL COMMITMENTS

	Group and Invest NI	
	2026	2025
	£'000	£'000
Commitments in relation to unclaimed grants under financial assistance offers and agreements at the year-end comprised:	148,487	128,948

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 2026

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 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 2026 at £25,500,000 (2025: £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	
	2026	2025
	£'000	£'000
Not later than one year	5,545	5,464
Later than one year and not later than five years	20,304	22,497
Later than five years	-	3,353
	<u>25,849</u>	<u>31,314</u>

The above is subject to annual service performance review adjustments and includes an assumption that charges will increase by an average inflation factor of 1.1% per annum over the remaining term, an impact of approximately £0.8m. 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 2026

24. DISCONTINUED OPERATIONS

As noted on page 62, on 29 August 2024 NI-CO entered a Members Voluntary Liquidation. The results up until this date have been included in the 2024-25 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 and 31 March 2026.

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 2026

24. DISCONTINUED OPERATIONS (CONTINUED)

The results of the discontinued operations, which have been included in the net expenditure for the year, were as follows:

	2026 £'000	2025 £'000
Revenue from contracts with customers	-	-
Total operating Income	-	-
Staff Costs	-	(5)
Purchase of goods and services	-	(230)
Depreciation and impairment charges	-	-
Total operating expenditure	-	(235)
Net operating expenditure	-	(235)
Finance Income/ (Expenditure)	-	2
Derecognition of net assets	-	(885)
Net expenditure before tax from discontinued operations	-	(1,118)
Taxation Charge	-	-
Net expenditure after tax from discontinued operations	-	(1,118)

The cashflows from discontinued operations which have been included in the consolidated statement of cashflow, were as follows:

	2026 £'000	2025 £'000
Net cash outflow from operating activities	-	(167)
Net cash inflow from investing activities	-	-
Net increase/(decrease) in cash and cash equivalents in the year	-	(167)
Cash and cash equivalents at the beginning of the year	-	1,940
Cash and cash equivalents at the point of deconsolidation/end of year.	-	1,773

Notes to the Accounts

Year ended 31 March 2026

24. DISCONTINUED OPERATIONS (CONTINUED)

The factors affecting the tax charge from discontinued operations were as follows:

	Group	
	2026	2025
	£'000	£'000
Net expenditure before taxation from discontinued operations	-	(1,118)
Net expenditure before taxation multiplied by the standard rate of Corporation Tax in the UK of 25% (2025: 25%)	-	(280)
Tax effects of:		
Add: expenditure not deductible for tax purposes	-	280
Origination and reversal of temporary differences	-	-
Adjustments in respect of previous periods	-	-
Total tax charge	-	-

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 and Invest NI is a named Respondent in this class action which is affecting employers across the public sector. This is an extremely complex case with potential implications for the NICS and wider public sector. However, given the complexities, the cases are still at an 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 2026

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:

	2026	2025
	£'000	£'000
Payables: amounts due within one year (note 16):		
Balances with other central government bodies	2,682	1,618

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:

	2026	2025
	£'000	£'000
Crescent Capital III LP	57	127
Kernel Capital	-	268
Techstart NI SME Equity	241	232
QUB Equity Limited Partnership	21	31
Ulster Equity Limited Partnership	21	31
Growth Finance Fund	-	(138)
Techstart Ventures II LP	4,782	5,146
Small Business Loan Fund II	-	600
Co-Fund III	3,529	2,055
Small Business Loan Fund III	2,000	-
Investment Fund NI	12,030	-
Techstart III	4,343	-
	27,024	8,352

The following distributions were received from associates during the year:

	2026	2025
	£'000	£'000
Techstart Ventures II LP	247	1,370
Techstart NI SME Equity	1,886	-
NI Growth Loan Fund	599	202
NI Growth Fund II	6,412	7,107
Small Business Loan Fund	11	-
Small Business Loan Fund II	1,000	-
Growth Finance Fund	2,374	-
Investment Fund NI	2,231	-
Ulster Equity Limited Partnership	15	-
	14,775	8,679

Notes to the Accounts

Year ended 31 March 2026

26. RELATED PARTY TRANSACTIONS (CONTINUED)

Transactions involving ExCo

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)

ExCo member	Company	Nature of relationship	New financial assistance offered 2026 £'000	Amount paid 2026 £'000	New financial assistance offered 2025 £'000	Amount paid 2025 £'000
Paula Logue	Strata Waterproofing Limited	(a)	15	-	-	-

Payments made by Invest NI for services (inclusive of VAT where applicable):

ExCo member	Company	Nature of relationship	Amount paid 2026 £'000	Amount paid 2025 £'000
Alan McKeown	Belfast City Council (b)	(a)	-	24

Amounts invoiced by Invest NI (inclusive of VAT where applicable):

ExCo member	Company	Nature of relationship	Amount invoiced 2026 £'000	Amount invoiced 2025 £'000
Alan McKeown	Belfast City Council (b)	(a)	-	*

*Commercially sensitive

Notes to the Accounts
Year ended 31 March 2026

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 49.

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 2024-25 for bodies from which Board members resigned or retired during 2024-25, these are not replicated in the 2025-26 financial statements. Similarly, where a Board member retired from Invest NI in 2024-25 no disclosure has been made in respect of this individual for 2025-26. The 2024-25 information has been retained for comparative purposes.

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 up to the point of resignation/retirement 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 2026

26. RELATED PARTY TRANSACTIONS (CONTINUED)

Financial assistance transactions:

Board member	Company	Nature of relationship	New financial assistance offered 2026 £'000	Amount paid 2026 £'000	New financial assistance offered 2025 £'000	Amount paid 2025 £'000
Colin Coffey	Agri-Food and Biosciences Institute	Chair	(c)	(c)	-	30
	Natural World Products Limited	Chair	10	150	150	-
Julie-Ann O'Hare	Radox Laboratories	Senior Management	(c)	(c)	10	-
Scott Ritchie	Cocktail Keg Company	Investor	(c)	(c)	-	10
	Ammi Systems Ltd	CEO	-	5	37	-
Dominic Darby	Around Noon Foods Ltd	Director	1,480	-	42	-
Michael McQuillan	Blinks Beauty Ltd	(a)	-	-	62	27
John Healy	Fintru Limited	Chair	-	761	-	-

Notes to the Accounts
Year ended 31 March 2026

26. RELATED PARTY TRANSACTIONS (CONTINUED)

Payments made by Invest NI for services (inclusive of VAT where applicable):

Board member	Company	Nature of relationship	Amount paid 2026 £'000	Amount paid 2025 £'000
Marie-Therese McGivern	Northern Ireland Water Limited	Non-Executive Director	17	14
Kieran Kennedy	North West Regional College	Member of Governing Body (e)	10	76
Michael McQuillan	South Eastern Regional College	Member of Governing Body (d)	5	-
Melanie Dawson	Digital Construction Live Limited	Co-Founder/Director	2	-
Melanie Dawson & Marie-Therese McGivern	Strategic Investment Board	Associate Strategic Advisor & Non-Executive Director respectively	58	-

Amounts invoiced by Invest NI (inclusive of VAT where applicable):

Board member	Company	Nature of relationship	Amount invoiced 2026 £'000	Amount invoiced 2025 £'000
Dominic Darby	Around Noon Ltd	Director	-	10
Julie-Ann O'Hare	Radox Laboratories	Senior Management	(c)	7

Amounts invoiced by BSDL (inclusive of VAT where applicable):

Board member	Company	Nature of relationship	Amount invoiced 2026 £'000	Amount invoiced 2025 £'000
Colin Coffey	Public Health Agency	Chair	78	68

Notes to the Accounts

Year ended 31 March 2026

26. RELATED PARTY TRANSACTIONS (CONTINUED)

Balance owed to the company at 31 March:

Board member	Company	Nature of relationship	Balance 2026 £'000	Balance 2025 £'000
Colin Coffey	Agri-Food and Biosciences Institute	Chair	(c)	11
Kieran Kennedy	North West Regional College	Member of Governing Body	(e)	34
Michael McQuillan	South Eastern Regional College	Member of Governing Body	(d)	10
John Healy	Fintru Limited	Chair	159	796
Marie-Therese McGivern & Melanie Dawson	Strategic Investment Board Limited	Associate Strategic Advisor & Non-Executive Director respectively	3	-

Balance owed to BSDL at 31 March:

Board member	Company	Nature of relationship	Balance 2026 £'000	Balance 2025 £'000
Colin Coffey	Public Health Agency	Chair	-	3

Balance owed by BSDL at 31 March:

Board member	Company	Nature of relationship	Balance 2026 £'000	Balance 2025 £'000
Colin Coffey	Public Health Agency	Chair	5	-

There were no loan balances outstanding at 31 March 2026 (2025: £Nil) from any company in which a Board member had a beneficial interest.

Key

(a) Connected via family relations.

(b) The ExCo member resigned from Invest NI during 2024-25 and as such there is no beneficial relationship during 2025-26. Balances owing to/from for the current year have not been disclosed on the grounds that no beneficial relationship exists this year.

(c) The board member left their role during 2024-25 and as such there is no beneficial relationship during 2025-26. Balances owing to/from for the current year have not been disclosed on the grounds that no beneficial relationship exists this year.

Notes to the Accounts
Year ended 31 March 2026

26. RELATED PARTY TRANSACTIONS (CONTINUED)

(d) The board member left their role during 2025-26 and as such there no beneficial relationship at the end of 2025-26. Balances owing to/from for the period after their resignation have not been disclosed on the grounds that no beneficial relationship existed at that time.

(e) The board member resigned from Invest NI during 2025-26 and as such there is no beneficial relationship after their date of resignation. Balances owing to/from after this date for the current year after have not been disclosed on these grounds.

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 8 July 2026.

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:

Invest NI Equality

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