



British Tourist Authority Trading as VisitBritain and VisitEngland

Annual Report and Accounts For the year ended 31 March 2022

HC 400 SG/2022/115

BRITISH TOURIST AUTHORITY

TRADING AS

VISITBRITAIN & VISITENGLAND

ANNUAL REPORT AND ACCOUNTS

FOR THE PERIOD 1 APRIL 2021 TO 31 MARCH 2022

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Chair Foreword

Tourism is one of Britain's success stories – the sector was worth more than £127 billion per year in 2019 and ranked as the nation's third largest service export. The pandemic, however, stopped this success story in its tracks, culminating in a devastating impact for business trading and consumer confidence. The period this report covers, 2021-22, is a story of green shoots, but it is also the beginning of a long road to recovery, led by innovation and collaboration across the visitor economy.



I have had my own journey this year too - making the transition from board member to Chair during this time. The change has been very rewarding, as I have been able to oversee the organisation's rethinking of its strategy to restore confidence and boost the recovery of travel even as we work to meet changing consumer attitudes and prepare our organisation for a sustainable future, against tight budgets and global economic uncertainty.

Having spent much of my career in the Foreign and Commonwealth Office, latterly as the British High Commissioner to South Africa, I have been particularly interested in exploring how the rebuilding of international tourism can generate stronger people-to-people relationships across borders, provide growth and prosperity for the UK economy, and cement Britain's soft power ambition in line with the Government's Integrated Review.

In March, the lifting of international travel restrictions provided us with a distinctive moment in time to drive demand and re-stimulate these relationships, positioning Britain as the place to reconnect with friends, family, culture, and the natural environment. Our international marketing campaign, Welcome to Another Side of Britain, did just that. It was an honour to have the Secretary of State for Digital, Culture, Media, and Sport join me in Dubai to launch the campaign as part of UK National Day at Dubai Expo 2020. It was clear from my conversations with the Gulf and other international Travel Trade representatives during that visit, and more recently in North America, that Britain continues to be seen as a major destination, and there is undoubtedly pent up demand upon which to seize and on which we continue to focus our time and attention: by taking advantage of our Jubilee Events and staging of the Birmingham Commonwealth Games.

We do continue, however, to face tough competition for these visitors from destinations across Europe – and indeed the world. As we rebuild from the pandemic, the race globally to attract back visitors to stimulate jobs and growth is very real. Given the funding constraints on our marketing, a challenge in the coming year will be to ensure, through our overseas networks, that we can convert interest in visiting Britain into firm and repeated bookings to all parts of Britain.

On the domestic front, 2021 saw the publication of two documents that will prove to define the recovery of the Visitor Economy – The Government's Tourism Recovery Plan and the de Bois Review of Destination Management Organisations (DMOs).

The Tourism Recovery Plan challenged our industry to become more resilient, sustainable, inclusive and innovative. It recognised the need for different parts of Government to work together effectively to reduce barriers to travel and for a collaborative approach across industry, services and the public sector. The plan is undoubtedly ambitious in the targets it sets for a rapid return to pre-pandemic visitor numbers. We recognise the importance of working closely with policy makers to ensure the sector is supported with the investment needed to make these goals a reality. Our clear remit is also to help ensure the regrowth of the sector happens in a sustainable way, in harmony with, and responding to the needs of the local communities it involves and helping our visitors explore a wider range of attractions throughout the United Kingdom.

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While the pandemic has undoubtedly been a challenge for the whole Visitor Economy, it has prompted many businesses to reimagine tourism in a post-pandemic world. I have seen fantastic examples of the Tourism Recovery Plan's vision in action, including businesses adopting new technology to diversify the visitor experience, expanding their operating model to develop new income streams, or investing in their accessibility offering so everyone can enjoy their destination. I am proud to say that VisitBritain and VisitEngland, are also working towards these challenges: with successful projects such as an expanded retail platform (TXGB), further grants to improve domestic promotions and the collaboration with Camelot to drive greater take-up of smaller attractions. Looking ahead, we are focused on improving our digital capability, to capture and use data better to understand and influence changing visitor interests and needs.

The de Bois review shone a spotlight on the role of DMOs, and the vital contribution they make to the landscape of English Tourism and local economies. A contribution which also affects the success of wider Levelling Up ambitions. It recognised the pressures caused by the pandemic and set out a structure that, if implemented, would ensure the important economic contribution made by DMOs is enhanced across all levels of leadership, and the tools and resources required to deliver on the Tourism Recovery Plan's ambitions were made available to them. We await the Government's formal response to the Review, and stand ready to play our role in implementing the recommendations.

I also want to highlight business events in my remarks. It is an industry that supports many of the ambitions laid out in the aforementioned documents – from promoting regional and seasonal spread, attracting inward investment, and putting Britain in the spotlight as a host - but it is also an industry that has faced new challenges in adapting to the hybrid world. I am pleased that the sector's ability to deliver in these areas has been recognised in the Government's recent Export Strategy and that we can strengthen further the role of business events in driving trade and investment.

After a year as Chair, I would like to thank my fellow Board members and Nick de Bois, the Chair of the VisitEngland Advisory Board for their support and commitment - particularly Carol Hui and Fiona Pollard for their able leadership of the Audit and Risk and Remuneration and People Performance Committees. The Board have been an invaluable resource, providing expert advice and guidance throughout this turbulent year. I welcome their keen support for our refreshed strategy and their willingness to engage in our aim to increase wider recognition of the importance of the Visitor Economy.

I would also like to recognise Patricia Yates who stepped up as Interim Chief Executive, following Sally Balcombe's departure after seven years in the role. Sally oversaw huge growth in the sector and steered the organisation through the incredibly difficult COVID-19 period. On a personal level, she was an invaluable support to me as I settled into my new role as Chair. I am grateful to Patricia and her Senior Management Team for all their efforts to continue this hard work.

Tourism is a fundamentally important but often unsung industry for our country - injecting cash into the economy, strengthening Britain's place on the world stage, and providing valuable opportunities for us to create and enjoy memorable experiences. The past year has been a difficult one. I look forward to a better prospect in the year ahead - working with Government to achieve a confident recovery, financed as robustly as possible to meet our competition and listening and responding to the voice of the sector - with material advances in sustainability and accessibility.

Judin- Macquego-

Judith MacGregor Chair

CEO Introduction

For the last two years the British Tourist Authority has played a critical role in supporting tourism and hospitality through the COVID-19 pandemic. Our goal now is to ensure tourism can swiftly rebound to being one of the most successful sectors of the UK economy. This year promises to be an exciting one for British tourism. A number of special events, including HM Queen's Jubilee celebrations and the Commonwealth Games, will be a huge draw to domestic and international travellers alike. The removal of the remaining COVID-19



travel restrictions has been a major boost for consumer confidence and gives a clear message that Britain is open and ready to welcome visitors.

However, predictions for both domestic and international tourism recovery indicate that it will take years to rebuild to 2019 levels. Many businesses start 2022 with reserves depleted from the impact of the closures due to COVID-19 and facing increasing costs from staff wages, energy and food inflation. We remain committed to supporting them, driving back visitor value as quickly as possible and working with the Government to develop policy support.

We identified four key priorities for 2021-22:

1. Re-stimulating international and domestic demand:

We focused on driving back visitor value, encouraging people to stay longer, spend more and travel further across our nations and regions. We were delighted to be able to launch our first international campaign for two years, in partnership with GREAT, in Dubai this February. *Welcome to Another Side of Britain* puts a spotlight on Britain's vibrant and diverse cities. Campaigning activity is now underway across our markets to highlight our renowned heritage, iconic attractions and buzzing contemporary culture, targeting people who we know have the greatest intent to visit Britain this year.

To increase domestic visitor numbers, our *Escape the Everyday* campaign continues to encourage 25 to 34-year-olds to take a city-break. Partnering with the Family Holiday Charity, we have supported over 800 families facing difficult challenges, including lower incomes and with caring responsibilities, to take a holiday in England.

Another key strand of activity has been supporting the recovery of the business events sector. Our focus has been on winning more international events across the UK and shining a spotlight on British destinations and expertise, working alongside Government and industry partners.

2. Support the English Tourism Industry.

As businesses began welcoming people back last year, we rolled out the 'We're Good To Go' COVID-19 industry standard and consumer mark, to offer reassurance to residents and visitors that safety processes are in place. We also held a business recovery webinar series to share practical insights, tips and guidance for businesses, and help them on their road to recovery.

Having established and resourced the DMO Regional Taskforce (a team of staff to provide tailored DMO support) earlier in the pandemic, we have continued to implement monthly video calls between us and DMOs/local authorities across England. It has been inspiring to see how, across the domestic tourism landscape, we have pulled together to share learnings and best practice throughout this difficult time. As COVID-19 restrictions lift we will ensure that we build on our engagement with DMOs and across the English landscape, listening and building understanding of the sector's challenges,

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getting out to regions to meet local businesses and forming a common agenda for change on our priority areas of Levelling Up, accessibility and sustainability.

English Tourism Week in March 2022 focussed on demonstrating our support for tourism businesses as they rebuild, and on encouraging more people to choose tourism as their career.

3. Be the authority on tourism: Providing expert advice to industry and Government.

We have continued to provide well-evidenced data, insights and advice to help tourism and hospitality policy makers, business owners and customers make informed decisions.

We have kept in close communication with Government about the impact of the pandemic on our industry and advised on interventions. To ensure our industry is speaking with one voice, we have facilitated round table discussions and participated in the Tourism Industry Emergency Response group. We have also continued to provide timely data and insights to both the industry and policy makers. Many in the industry have told us that our daily communications and updates on Government policy and the provision of a single point of contact for the latest business advice has been hugely welcomed.

Amidst the global challenge of climate change we know that sustainable and responsible tourism has risen as a particular priority, so after consultation with industry partners, we published a Sustainable Tourism Discussion Paper; as well as building a global sustainable tourism content 'hub', to support businesses and visitors to make environmentally-friendly choices. I am also delighted to have been asked by the Minister to lead the Tourism Industry Council's sustainability working group.

4. Deliver digital transformation and our people strategy

We have undergone some fundamental changes in the last few years, including our leadership and where and how we do our jobs. Our priority has been to ensure staff are fully supported during this time. We have established a network of 'change agents' from across the organisation, who have helped to shape and communicate developments; and made leaps forward in terms of modernising and streamlining many of our processes in HR, business services and digital platforms to ensure they run smoothly and efficiently.

As I begin my time as Chief Executive, I want to add my sincere thanks to my predecessor, Sally Balcombe for her support; in the last two years she has steered us through a uniquely challenging time.

My thanks also to the teams in VisitBritain and VisitEngland for all of their commitment and hard work, to our sponsoring department at the Department for Digital, Culture, Media and Sport (DCMS) and the Ministers for their support; and to the GREAT campaign team. I'd also like to thank the British Tourist Authority and VisitEngland Advisory Chairs and Boards for their guidance. I look forward to working with you all in the year ahead as we support our world-leading sector to become once again, one of the most successful areas of our economy.

Patrina Yula

Patricia Yates Chief Executive

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PERFORMANCE OVERVIEW Our Purpose

The British Tourist Authority (BTA) is the national tourism agency, operating since 1969 as a nondepartmental public body. We are made up of two parts – VisitBritain and VisitEngland. We have the following functions, duties and powers as set out in the Development of Tourism Act 1969:

- Encouraging overseas visitors to come to Great Britain;
- Encouraging people who live in Great Britain to take their holidays in Great Britain;
- Promoting the provision and improvement of tourist amenities and facilities in Great Britain;
- Advising ministers and public bodies on tourism matters in Great Britain.

VisitBritain promotes Britain overseas and is a long-standing delivery partner of the Cabinet Office GREAT campaign. We have offices in 19 countries across the globe, representing over 70% of the inbound value to Britain, and are often co-located with Foreign, Commonwealth and Development Office colleagues to support our soft power objectives.

It is our immediate role to deliver on the Government's Tourism Recovery Plan ambitions – ensuring that international visitors choose Britain as the destination for their holiday, and British businesses benefit from the inward investment and cultural connections that these visitors bring with them.

As well as international marketing, we support the wider Visitor Economy by ensuring Britain is sold in international markets - connecting trade partners, hosting events to connect buyers and suppliers, and promoting positive stories of Britain, both to the international media and on our social and digital channels. We also have a business events team that pitches for events in key sectors from Artificial Intelligence to life sciences to be hosted in the UK.

VisitEngland's role is to focus on domestic tourism and the relationship with Destination Management Organisations (DMOs), and also to offer support to the industry through the Business Advice Hub. Between 2015 and 2020 VisitEngland administered the £50 million Discover England Fund which saw the establishment of new experiences across the country that could be easily packaged and booked by international visitors.

The BTA also has a statutory duty to advise Government on tourism policy. To do this we draw on our expertise, industry engagement and data.

The Tourism Landscape

Even though COVID-19 restrictions started to lift from April 2021, we saw a further decline in inbound visitors and spend in 2021 compared with 2020. We were pleased to see the green shoots of a recovery in the UK tourism market and from August 2021 onwards there was an increase in inbound numbers^{1.} However, visits were still significantly below the same period in 2019 (inbound visits in 2021 as a whole were 82% below 2019 levels) and also below the estimated level for the same period in 2020. The upward trend was further hampered in December by the short-term impact of the Omicron variant, but the growth we witnessed between August and November showed an appetite for travel among domestic and inbound tourists alike.

The impact of COVD-19 has been devastating for the industry. For 2021 and 2020 combined there has been a loss of £97.1 billion to domestic tourism spending in Britain. While Government action to protect jobs and offer support to the sector helped and protected employment, the lingering impact of the pandemic is expected to continue for some years to come.

Even though overall volumes and value for 2021 were far below normal levels, we entered 2022 feeling more optimistic that we would start to see upward trends during the year and beyond as Britain was one of the most open countries in Europe with some pent-up demand for travel. Flight booking data shows that inbound visitor numbers have been recovering since February 2022 but there is a journey ahead to build back to the levels previously seen in 2019.

Inbound tourism

Overall, we estimate² that the UK received 7.4 million visits from overseas travellers during 2021 across all modes of transport, spending £5.5 billion. 5.8 million of these visitors were from Europe, spending an estimated £2.9 billion. The 1.6 million visitors from long-haul markets, meanwhile, spent an estimated £2.6 billion. See Figure 1 for comparisons with other years.

COVID-19 restrictions started to lift from April 2021. Inbound tourism numbers were low throughout the first half of 2021; we estimate 1.4 million visitors, 8% of the same period in 2019. We started to see the green shoots of a recovery in the UK inbound tourism market from August 2021 although the recovery was further hampered in December by the short-term impact of the Omicron variant.

Overall, in 2021 inbound visits were still significantly below the same period in 2019 (82% down, with spend down a similar 81%). For the full year 2021, the volume and value of inbound tourism were even lower than in 2020, when they reached a total of 11.1 million visits and £6.2billion spend. Across these two years, inbound tourism lost an estimated £50.4billion compared to pre-COVID-19 forecasts.

While the overall value of visitor spending declined from 2020 to 2021 there was an estimated increase in spend-per-visit during 2021, driven by a higher average length of stay than before the pandemic. While the unusual visitor pattern meant this effect was particularly noticeable in the first half of the year, it illustrated a willingness to spend among those who did travel.

The emergence of the Omicron COVID-19 variant in late 2021 made us revise our expectations, for the 2022 calendar year, downwards. Visitor numbers fell sharply in January 2022, but an acceleration in bookings then started to drive increased visitor numbers from late February onwards. We expect to see the gradual growth of inbound volume and value during the rest of the year.

¹ The International Passenger Survey (IPS) data is only available for January to September 2021 at time of writing (May 2022). The IPS data for ths period was only collected at airports. The IPS 2021 data can be seen here <u>https://www.visitbritain.org/2021-q1-inbound-data</u>.

² Detail of inbound estimates for 2021 can be found here <u>https://www.visitbritain.org/2022-tourism-forecast</u>. 2021 inbound data here come from VisitBritain forecasts; we expect final 2021 data to be released by the ONS on June 9th.



Source: International Passenger Survey to 2020, VisitBritain forecast for 2021/22, Tourism Economics forecast from 2023



Although 2022 started slowly due to the impact of the Omicron variant, flight booking data suggests an improvement in inbound visitor numbers from February. VisitBritain's forecast for 2022 overall is 21.1 million visits (52% of the 2019 level) with these visitors spending £16.9 billion (59% of the 2019 level). Early data suggests that this forecast could be revised upwards: flight bookings had already risen to 51% of 2019 levels by March³.

Domestic tourism spending

Figure 2 – Overnight and leisure day trip tourism spending in Great Britain (£billions)

Source: Great Britain Tourism Survey / Great Britain Day Visits Survey to 2019, VisitBritain/VisitEngland estimates for 2020-2021



³ Source: Forward Keys

¹³ British Tourist Authority 2021-22 Annual Report & Accounts PERFORMANCE REPORT

In 2020 the value of domestic tourism was an estimated £34.0 billion (£9.8 billion overnight, £24.2 billion leisure day trips). While the value of domestic overnight tourism in rose in 2021 by 63% over 2020 to £16 billion, this was still, at 61%, well down on the equivalent figure of £24.7 billion from 2019 (see figure 2 page 13). Similarly, for spending on leisure day trips, the VisitEngland estimate for the full calendar year 2021 is £41 billion, growth of 69% on 2020 levels, although still only 61% of the 2019 level.

2021 started with minimal domestic tourism levels given the national lockdown. Domestic tourism picked up from April onwards and by late summer and early autumn was close to pre-COVID-19 levels, although with variation by region and journey purpose type. Domestic tourism then dipped towards the end of 2021 due to the Omicron variant.

The resumption of outbound tourism, as well as cost of living pressures, represent downside risks to the recovery of domestic tourism looking forward.

Competitive view

Globally, international overnight tourism arrivals in 2021 were 71% below 2019 levels (73% in 2020) with arrivals to Europe 62% lower (68% in 2020); the UK lagged behind the recovery of many of its nearest competitors at 82% below 2019 levels in 2021 (73% in 2020). Southern Europe recovered the fastest within Europe at 55% below 2019 in 2021.

The 2021 Ipsos Anholt Nation Brands Index survey saw some declines in perceptions of the UK: the study ranked the UK as the 6th strongest tourism nation brand overall (two down from the 4th place seen between 2018 and 2020), the 4th for contemporary culture (the same as in 2020) and the 8th for cultural heritage (down from 6th/7th previously recorded for this metric), and the 7th most aspirational destination to visit, if money was no object (down from 5th place in 2020). These declines in perceptions were broad and did not appear reducible to any one individual factor, although there was a noticeable decline in perceptions amongst Chinese respondents.

The Visitor Economy: Positive Trends Amid a Mixed Picture

The recent signs suggest recovery, but also that there is a long way to go. In the last four weeks of data at time of writing (data to 22nd May), inbound air arrivals by overseas visitors to the UK have reached around two-thirds of their 2019 level⁴.

In the four weeks to 22nd May, flight bookings to the UK from across the world stood at roughly four fifths of the total made in the normal baseline week (the equivalent week in 2019). This compares starkly with results from some of the worst moments during the COVID-19 period. In the week commencing 19 July 2021, for example, global bookings to the UK stood at just 13% of the baseline. However, there is still a way to go before we can be assured that these levels will be maintained.

There is considerable variation in recovery prospects by global region. North American bookings have been particularly strong recently, down by just single digits versus the same weeks in 2019 in each of the last five weeks of data. This further emphasises the US' position as the UK's leading source market in value terms. However, North East Asia is showing the slowest recovery of any region and China continues to remain closed for travel.

While different audiences and traveller types will recover at different rates, on the whole we expect visitor numbers from Europe and the long-haul markets to recover at a similar pace. We can, however, already see significant variations between long-haul markets due to differing circumstances whether political or COVID-19 related.

⁴ All flight booking and arrivals data is per Forward Keys data up to 22nd May 2022

We also expect different regions across the UK to recover at different rates. For example, when comparing 2021 visitor numbers to levels from before the pandemic, London and Wales are lagging behind the UK total; England outside London is ahead. Of course, London still outperforms all other individual regions in absolute terms. And our COVID-19 sentiment research shows that, despite some nervousness about crowded places, there is still a powerful appetite for visiting major cities, and that London leads in terms of intent to visit.

We know from our consumer sentiment research that demand is high and there is desire to travel. 83% of the sample of international travellers in February 2022 said they wanted to take an international leisure trip in the next 12 months. 54% said they definitely would. But only 43% had decided where to go (or had booked) so far. Confidence is returning but some COVID-19 caution still remains.

Looking forward, the global cost of living squeeze represents a major threat to global tourism recovery prospects. Supply shortages were squeezing disposable incomes even before the war in Ukraine further pushed up costs. Inflation in 2022 is forecast to average 7% in both the EU and the US and oil prices have hit their highest level since 2008.

Forecasts from Tourism Economics suggest inbound visitor numbers, and the value of inbound spend in nominal terms, will only surpass their 2019 level in 2025. Our role over the past year has been to focus on supporting the industry to be ready to welcome back visitors as soon as the time is right, restimulating domestic and international demand to drive immediate visitor spend as quickly as possible and advising industry and Government so they can make informed decisions.

In addition, we expect spend per visit to remain higher than before the pandemic, due to longer average length of stay as well as higher costs. This may accelerate the return to pre-2019 inbound spend levels, which Oxford Economics is currently forecasting will take until 2025.

Forecasting remains difficult, given the fast-moving situation and the unique circumstances of the pandemic. This forecast is a central scenario and is merely one possible outturn. While it is naturally contingent on there being no new restrictions on travel, as well as on the strengthening return of traveller confidence, it provides an indication of the growth that we are expecting to recover to prepandemic levels of inbound visits and spend by 2025.

The Tourism Recovery Plan, published in 2021, outlined the Government's ambition to see "a full return to pre-COVID-19 numbers by 2023 – ahead of independent forecasts". While this ambition was set pre-Omicron, VisitBritain remains committed to working towards this ambition.

Our Achievements for the Year

We are proud of our people's many achievements across the year in a wide range of areas, all with a focus on supporting the UK's Visitor Economy as a whole and the individual businesses that form it. During the year we also developed our three-year vision 2022 to 2025 and agreed our corporate priorities for 2022-23.

Our key areas of focus for the year were:

To re-stimulate international and domestic demand

- £10 million international tourism recovery campaign 'Welcome to Another Side of Britain' launched in February 2022 by the Secretary of State for Digital, Culture, Media and Sport at UK National Day at Dubai Expo 2020 and funded by the GREAT Campaign.
- Launch of the multi-faceted 'Escape the Everyday' domestic campaign to promote city breaks to 25 to 34-year olds.

- Keeping the UK and International travel industry up to date on changing COVID-19 restrictions and guidance.
- Worked together with West Midlands Growth Company on the 2022 Commonwealth Games in Birmingham to promote and boost the awareness of the West Midland's tourism offer in Australia, Canada and India.
- Relaunch of 'Great Events Shape the Future' to inspire planners to choose the UK for their business events.
- Delivering Virtual MeetGB and our virtual trade show ExploreGB.

To support the English tourism industry

- Delivered English Tourism week.
- Supported industry in the closure of the 'We're Good To Go' scheme.
- Delivered the National Lottery Days Out voucher scheme as part of the Tourism Recovery Plan.
- Provided support and advice via the Business Advice Hub.
- Supported the industry through various grant schemes.
 - £0.5million Destination Management Company and Inbound Tour Operators' Marketing Fund.
 - £0.6million England for Everyone social tourism initiative delivered through the Family Holiday Association
 - £1million Escape the Everyday Destination Management Organisations (DMOs) Recovery Marketing Fund.
- Launched the new e-commerce Tourism Exchange GB (TXGB) platform.
- MeetEngland delivered a strong suite of events and support for conference businesses.

Our invitation to 'Escape the Everyday'

Our multifaceted *Escape the Everyday* initiative is designed to inspire consumers to travel and enjoy the country's amazing tourism destinations and attractions, while providing direct support to the UK's DMOs.

In its first phase of DMO support, we directly supported 14 businesses via the £1 million England marketing recovery package, enabling them to reach an additional 9.6 million consumers via their own channels and a further 130 million via paid channels. In phase 2, we made awards worth more than £1 million to a further 11 DMOs.

We were also active on many fronts in terms of consumer marketing. Our 'Mission Accessible' branded content video on Channel 4 won two industry awards and received a BAFTA nomination, while our 'Summer Cities' campaign achieved more than 145 million impressions across all channels.

We also entered relationships with a range of influential partners, including TripAdvisor, lastminute.com, Global, BuzzFeed and LADbible. We ran social campaigns on Facebook, Instagram and Twitter. The PR initiatives we ran included 10 city press trips, generating coverage that almost always included the Escape the Everyday 'take a break' call to action.

To be the authority on tourism

- Commission and publish robust research on Great Britain and inbound travel through:
 - o Official inbound tourism statistics and forecasts;
 - International COVID-19 sentiment tracker together with VisitScotland, Visit Wales and London & Partners;
 - o Monthly Great Britain tourism sentiment tracker;
 - Annual Attractions Survey;
 - Occupancy statistics.
- Advised the Department for Digital, Culture, Media and Sport (DCMS) and wider Government on policy issues including:
 - Impact on industry of the pandemic;
 - Participated in the Tourism Industry Emergency Response group;
 - Provided written evidence to Government enquiries.
- Supported the visits of UK Government Ministers to international markets including Secretary of State for Digital, Culture, Media and Sport visits to New York and Dubai.

Deliver transformation

- Continued implementation of the People Strategy;
- Key decision made on the Digital Customer Experience transformation project to manage and mitigate significant delivery risks
- Continued to prioritise a strong culture of compliance with significant reduction in the number areas where there was concern over controls;
- Developed a Global Estates Strategy with a focus on a plan to move out of London by 2024;
- Initiated our Data Transformation programme and developed our procurement strategy for delivery.

In the delivery of our objectives we faced a number of key Risks and Challenges:

- The most substantial challenge was the on-going uncertainty and changing restrictions on travel due to the COVID-19 pandemic which limited our ability to recover the Visitor Economy.
- Keeping our transformation programme on track to deliver the intended benefits and making most effective use of funding available.
- Putting in place mitigating actions to keep the Digital Customer Experience project on track.
- Delays to the outcome of the Comprehensive Spending Review made planning difficult.
- Delivery of the complex National Lottery Days Out voucher scheme on a new e-commerce platform within short timescales.
- Delays and the conditions attached to Cabinet Office approvals for Marketing spend limited our ability to plan ahead.
- The UK Government set out a strong ambition for the Visitor Economy, and VisitBritain/ VisitEngland in the form of the Tourism Recovery Plan. However, in order to deliver on the challenges, set for us we must be appropriately resourced and supported to overcome the barriers listed above. We look forward to working with our sponsor department to reduce these risks over the coming financial year.

COVID-19 Impact and Response

The on-going impact of the COVID-19 pandemic was substantially the most significant factor to affect the UK's tourist industry during 2021-22, restricting inbound travel from most European countries and many long-haul markets across the world.

This greatly curtailed the performance of overseas markets during the year. Despite some upward trends (most particularly among North American travellers) becoming apparent in the late winter of 2021 into spring of 2022, the lingering impact of the pandemic and its associated lockdowns and travel restrictions is expected to continue having a negative effect for some years to come.

There were moments of positivity during the year as restrictions eased. There was a period in the year's third quarter when the UK 'traffic-light' system allowed travel from most European markets, albeit with travellers facing additional expense associated with testing requirements. But this was short-lived, as the rapid spread of the Omicron variant caused most European markets to put in place new restrictions for travellers returning from the UK.

While these restrictions were lifted once again, and all testing requirements were removed in mid-February for European visitors to the UK, inbound numbers were impacted once again by the outbreak of war in the Ukraine. The negative effect this had on flight and travel bookings was relatively short-lived as travellers came to believe the conflict was likely to stay within Ukraine's borders. As a result, booking numbers started to rise once again during March 2022.

Our response

We limited our consumer-facing communications and marketing activities during the periods of lockdown and restricted travel in European markets to getting across a message of 'Dream now, travel later...'. In this way, we kept readers of our social media posts and newsletters interested in the UK as a fun and inspiring destination.

Then, once the UK was gradually opening once again to welcome visitors from most European countries in June 2021, we switched to a more practical tone and approach. This involved keeping our audiences aware of the latest changes and any new conditions for entering and staying in the UK through 'Know Before You Go' updates in local languages on our website.

Starting in July, we then oversaw the gradual implementation of the 'Escape the Everyday' campaign across key European markets. This revolved around more proactive messaging to encourage travellers to consider and book city trips to the UK.

Moving into 2022, we then launched the GREAT-funded 'Welcome to Another Side of Britain' recovery campaign across the US and leading European markets of France, Germany, Italy, the Netherlands and Spain. This focused on reaching a high-spending, younger audience with messaging to encourage visits to major cities where the Visitor Economy has been particularly impacted. This campaign sat under the new GREAT branding, aligning with its 'see things differently' messaging.

In March 2022, towards the end of the financial year, we sharpened our focus on re-establishing relationships between UK suppliers and major buyers by inviting travel-trade key account partners from all major markets to the UK for reassurance and education.

EU Exit Impact and Response

While the effects of the UK's exit from the European Union have been anticipated for some years, it was only in October 2021 that some of the most significant changes for the Visitor Economy came into force.

These involved the imposition of new entry documentation requirements for travellers from the EU, including the need to have a passport to visit the UK. The removal of the VAT Retail Export scheme has also affected EU and global travellers. In another major change, the UK's long-standing EU List of Travellers regulation for school groups came to an end.

These changes are likely in future to create new barriers for Europeans wishing to visit the UK, and risk visitors choosing competitor destinations for their trips. The documentation and List of Travellers scheme presents a barrier most notably for school and youth groups. We remain concerned and are keeping the situation under review, however, the full impact will become clear only once travel between Europe and the UK has fully normalised again.

Our response

We set up a dedicated European working group to devise, co-ordinate and implement a strategy that clearly communicates, via our consumer and business-to-business channels, all changes to UK entry requirements. We also funded and delivered communications programmes using external channels in some key EU markets, and organised webinars to keep the travel trade fully informed.

In all cases, we ensured that these activities were closely co-ordinated with Foreign, Commonwealth and Development Office (FCDO) posts across Europe.

Our research and policy teams also work closely together to keep DCMS informed of the impact of any policy changes.

Looking Ahead

Our transformative three-year vision

By 2025 the BTA will have transformed into an influential global organisation leading a common agenda across Government and industry to grow a sustainable future for the visitor economy.

We will:

- **be confident** in our use of data and digital systems to innovate, adapt and improve.
- work jointly with partners to position Britain and England as diverse, sustainable and inclusive destinations driving economic growth
- work globally learning from others, using our talented staff wherever they may be located and welcoming change and challenge.
- know we are successful when the industry is asking us to lead and enable them, in addition to the asks coming from Government.

Our Corporate Priorities for 2022-23 are as follows:

OUR ROLE: To drive immediate tourism recovery by building back visitor spend as quickly as possible and supporting the industry				
 REBUILD INTERNATIONAL VISITOR VALUE Position Britain as a dynamic, diverse, sustainable and inclusive de prioritising regional and seasonal dispersion and improved production 				
 BUILD OUR FUTURE Transform the way we work to compete in a digital world, build our data and diversify our funding. 	strengths in			
 BUILD THE ENGLISH VISITOR ECONOMY Lead and enable a sustainable and resilient visitor economy in Eng 	land.			
 BUILD OUR INFLUENCE Be the trusted voice in tourism. Support growth by shaping policy a insights. 	nd providing			
BUILD OUR TEAM Work as a global team. Ensure our structure and skills best deliver strategy.	on the			

Rebuild international visitor value: Positioning Britain as a diverse, sustainable and inclusive destination

Our new digital infrastructure will also enable us to deliver against our mission more effectively, inspiring and enabling the industry and its constituent businesses to work with us on selling Britain and England compellingly and cost-effectively.

Not only will we be able to produce and share content more quickly than ever before – by taking a more integrated and consistent approach - we and all our industry stakeholders will work in close alignment to deliver a consistent story that multiplies our joint impact to maximise the potential of the visitor economy for all. We will also be aligning our output with the ambitions laid out in the Tourism Recovery Plan and, where appropriate, other relevant Government priorities such as Levelling Up and soft power.

To achieve this, among much other work, we will deliver innovative, creative and data-led campaigns that embrace partner and industry collaboration to tell the GREAT Britain brand story through new channels and technologies. We will deliver PR campaigns across a range of areas, including with influential partners like British Airways and Expedia and linked to major events such as the Queen's Platinum Jubilee, the Commonwealth Games, Unboxed and the FIFA World Cup. We will also collaborate with GREAT and Public Diplomacy Partners (PDPs) on priority Government themes.

Taking a leadership position to build England's visitor economy

Our work on marketing and communications is just one aspect of our leadership role in building the visitor economy in England. We also aim to develop the country's sustainable tourism strategy in a way that harnesses the industry's collective influence.

We are fully supportive of the de Bois review of Destination Management Organisations (DMOs)⁵ and we are ready to work with DCMS to deliver its recommendations once the Government has published its response to the review.

We also aim to strengthen the visitor economy in England by helping to upskill industry players across the country, increase bookability of attractions, diversifying distribution channels for English attractions and winning international business events for England.

Building our influence as the trusted voice in tourism

We will focus our activities on issues that aid and hinder Britain and England's competitive position, increasing our influence with Government by building a strong advocacy network to keep tourism high on the political agenda. We will ensure we harness opportunities such as select committees, cross-Whitehall meetings and MP briefings to position ourselves as the subject-matter expert across Government, linking the visitor economy to priorities across departments.

We will play an active part supporting DCMS in the Tourism Industry Council where we are leading on the sustainability working group and, on the Inter-Ministerial Group for the Visitor Economy supporting the Northern Sprint.

Our teams in market will work alongside PDP partners to promote Britain's tourism offer and feedback insights and intelligence that are fed into our policy work.

Our research and insights will continue to be fundamental not just to our activity but also to inform Government policy development.

We will speak for the industry in media and external events to ensure that the benefits of the visitor economy are understood and factored into decision making.

Build Our Future: Transforming our culture and capabilities

We want to become focussed on the customer for the future and growing market value while making our activity more cost effective and enabling us to break into new markets and reach new audiences. We will be confident in our use of data and digital systems to innovate, adapt and improve. Our commercial and digital capabilities will underpin our ability to embrace innovation, be a test bed for new products and align with industry partners on joint activity. We will be able to produce and share content more quickly that inspires the industry, have the flexibility to co-create campaigns and persuade businesses to sell more of Britain, with everyone telling a consistent story that multiplies our joint impact.

Our ambitions place an important emphasis on improving our data and digital capabilities, so we will continue to optimise the systems we have already implemented while continuing to introduce new solutions. This is an essential enabler of transformation empowering us to be more efficient and to deliver more benefits to our stakeholders

We believe this will help us improve in many ways, first and foremost by becoming a more agile organisation, collecting, analysing and using data to make better decisions, predict trends, inform the industry and advise Government. That is how we will meet the ever-growing expectations of our consumers and business partners, while becoming a more financially independent organisation with the target of raising £10 million per year by 2025 from commercial activities.

⁵<u>https://www.visitbritain.org/de-bois-review-independent-review-destination-management-organisations-england-published</u>

Critically, achieving goals of this sort will depend on our ability to change our culture, adapt faster to the environment around us, use data to continuously learn and develop new skills and insights and drop activities that do not add value. This will make our activities more cost-effective, allowing us to break into new markets, reach new audiences at a lower cost, better embrace innovation, test new ideas and align with industry partners.

The practical steps supporting our digital transformation include the roll out of our new Digital Customer Experience Programme (DCXP) to provide a platform to organise and structure our data and so maximise the potential of our digital systems. We aim to move data storage to the Cloud in year two of the programme, giving us powerful scalability and ending any reliance on physical storage.

As well as looking at how we can operate more effectively in a digital world, we will review how we can become more commercial, raise revenue and work in deeper partnerships with the industry to stretch further the always tight Government funding. We aim to deliver a series of quick wins driving profits from our shop and identifying commercial marketing models.

Putting the right governance in place

As we transform our organisation, it is essential that we maintain strong governance oversight across the programme of change. We are therefore splitting the programme's governance out of our established model to provide a clear focus and structure for all the interconnected initiatives and projects that make up the Building Our Future programme.

Under this approach:

- each individual project will have its own steering group that plans, monitors and guides its progress and takes responsibility for its successful delivery, on time and within budget;
- these steering groups will answer to the Building Our Future Board, which is led by the CEO and senior team to gain understanding and advise on any interdependencies or potential conflicts between project teams;
- the Building Our Future Board's key interest is in the programme's benefits and potential impacts at an organisational level. To ensure risks are minimised, it is therefore able to intervene should any project show signs of slipping behind schedule or going over budget.

Building our team

It's essential that we express our leadership through a clearly defined and communicated vision of the future that is valued by our own people as well as the industry as a whole. This will provide a clear roadmap for all, providing assurance that we have the right structure in place to deliver our three-year vision and spearhead the industry's ambitions.

Financial Summary

Income



Grant-in-Aid funding

The BTA receives Grant-in-Aid from the Department for Digital, Culture, Media and Sport. The funding available for 2021-22 was £53.1million (2020-21: £40.3million). £45.4million of this was received in cash with £7.7million being deferred to 2022-23. The deferral is driven by the international marketing campaign launching in the February 2022 meaning payments were mostly not due until April 2022.

Included with Grant-in-Aid was £18.9million of funding from GREAT (2020-21: £7.5million), £5million for transformation of our systems, supporting business events and England tourism marketing (2020-21: Nil) and £0.9million (2020-21: Nil) to support the marketing of the Birmingham Commonwealth Games in 2022. In 2020-21 £5.5million of Grant-in-Aid was for the Discover England Fund which ended in March 2021.

Our retail income for 2021-22 included commission from the National Lottery Days Out voucher scheme. There was no retail income in 2020-21 due to COVID-19.

Other income includes recharges and other project funding, in 2020-21 this included £1.3million relating to the lease settlement at our London Office.

Expenditure



Activity costs, related to our delivery of marketing activity and our various projects including transformation and grants, were substantially more this year than in 2020-21, as we delivered a full programme of campaigns to support our corporate objectives. As a result of the impact of COVID-19, marketing activity in 2020-21 was reduced whilst travel restrictions remained in place. Activity in 2021-22 included grants awarded of £3.3million, this included £2.1million of COVID-related grants which are detailed below.

Staff costs were less this year due to a decision to reduce the workforce at the end of the last financial year as well as higher than expected rates of staff turnover. The competitive market for talented staff created a difficult recruitment arena as our salaries did not always match competitors' offerings and roles remained vacant for longer than normal. There were re-organisation redundancy costs in 2020-21 of £0.3million.

Operational costs were slightly higher than last year mainly due to lower property costs; depreciation; legal costs and foreign exchange costs offset by higher irrecoverable VAT due to the increased activity from 2020-21 to 2021-22.

COVID-19 expenditure

Incremental expenditure of £2.1m occurred during the year in relation to COVID-19 support grants to Destination Management Organisations and the Family Holiday Association, as below. Further details are provided on page 16.

Grant scheme	£'000s
Destination Management Organisation Recovery Marketing Fund	1,046
Destination Management Companies and Inbound Tour Operators' Marketing Fund	468
Family Holiday Association 'England for Everyone'	600

Contractual losses

There were no contractual losses in 2021-22 (2020-21: £600k) incurred as a consequence of COVID-19 related cancellations of planned activities. Contractual losses of £3.5k were incurred due to the insolvency of a supplier.

PERFORMANCE ANALYSIS

During the year we have measured our performance against our corporate priorities as well as the Key Performance Indicators set by DCMS. The table below shows the alignment of the DCMS KPIs to the detailed performance against our corporate priorities.

DCMS KPI	Corporate Priority	Focus area		
Policy outcome 1: To stimulate demand to drive the quickest return of international visitor spend				
The BTA will need to deliver anticipated levels of return of investment on campaigning activity as set out in Professional Assurance (PASS) application forms.	Re-stimulate international and domestic demand	Marketing		
Policy outcome 2: For VisitEngland to support the r is ready to welcome back visitors after lockdowns	ecovery of the English tour	ism sector, ensuring it		
The BTA will be assessed on their ability to support tourism businesses to recover from COVID-19. This could include looking at the number of We're Good To Go sign-ups, the number of roadshows, workshops and business engagement activities and the impact of domestic marketing activity.	Support the English Tourism Industry	Helping SMEs rebuild and recover		
Policy outcome 3: To be the authority on tourism, delivering the statutory role to provide expert advice and insights to industry and Government				
The BTA will need to make sure its activity aligns with the Tourism Recovery Plan, the Integrated Review, the outcome of the Destination Management Organisations (DMOs) independent review and other relevant major Government initiatives.	All corporate priorities			
The BTA will need to commission and publish a robust suite of research on domestic and inbound travel, demonstrating visitor trends, regional variation. Advise DCMS and wider Government on major policy initiatives.	Be the Authority on Tourism	Providing data and insight		
Policy outcome 4: Compliance, Internal Employee S	Satisfaction & Transformation	on		
The BTA will seek to achieve an Employee Engagement Score (EES) to be in line with Cabinet Office average levels.	See Staff Report page 57			
The BTA will be expected to demonstrate continued progress on addressing compliance issues.	See Risk and Challenges section – Transformation and Compliance page 33			
By the end of the year the BTA will need to have developed a plan for moving out of London by the end of 2024	Deliver Transformation People Strategy			

Delivery against our Corporate Priorities

Re-stimulate international and domestic demand

As national and international tourist travel makes its return following the impact of COVID-19, our goal is to drive immediate visitor spend as quickly as possible. To do so, we are using our experience and insight, supported by the best available data, to identify and reach the best audiences for our messaging. Above all, we aim to be agile and flexible, pivoting when necessary to wherever we find the greatest opportunities for British and English tourism.

To deliver against these goals, we have been primarily active on four fronts:

Marketing

Our marketing teams, both in the UK and Overseas, have worked throughout the year to deliver multiple campaigns and events to make best use of our funding and partnerships to promote Britain as a destination as travel windows opened and tourism reawakened.

Among the most significant of these was the £10 million international tourism recovery campaign **'Welcome to Another Side of Britain'** launched in February 2022, this included partnerships with British Airways and TripAdvisor with the aim of rapidly building back demand for Britain and overseas spending. This campaign continued into the first quarter of 2022-23. The Return on investment (ROI) target is 10:1 and is only expected to be known in September/October 2022.

The performance of the campaign as at 30 March 2022 shows strong results against ambitious targets (see tables below). Notably 'Buzzseekers' ⁶ have higher levels of agreement with these statements, which shows the messages are hitting the target audience. The measures of emotional engagement with the campaign are linked to a high impact and high ROI.

Emotional Engagement Average for USA, France and Germany				
Measure	Target	Result to end of March 22		
Нарру	20%+	35%		
Exciting	19%+	26%		
Memorable	18%+	16%		
Something I would talk to others about	9%+	13%		
Inspiring	28%+	27%		

	Campaign Awareness		UK Visit Consideration	
	Target	Mar 22	Target	Mar 22
USA	30%+	31%	56%+	63%
France	20%+	21%	40%+	40%
Germany	20%+	19%	29%+	31%
Italy	20%+	28%	-	46%
Spain	20%+	27%	-	41%

Following this positive response, the campaign received an additional £1million, provided equally by GREAT HQ and TripAdvisor, to increase its coverage and impact.

We also extended the successful '**Escape the Everyday**' campaign targeting England visitors, using an additional £1 million in funding to drive increased overnight stays in English cities. The campaign

⁶ The Buzzseeker identity is outgoing, adventurous and experience-driven. They lead active lifestyles, are naturally curious about the world and seek out novel, exciting and luxury experiences. Buzzseekers also expect brands to be eco-friendly and help them improve their knowledge and image.

also encourages 25 to 34-year olds to take a city break. The evaluation of the ROI from England marketing activities in financial year 2021-22 is still in progress, however there have been 4,672 Escape the Everyday Industry Toolkit downloads – far exceeding the stretch target of 2,500, which is a great indication of engagement with the industry and their appetite to get involved with the campaign.

To welcome the re-opening of international travel we hosted 50 buyers from USA, France and Germany, as well as buyers from Canada, Netherlands, the Nordics, Italy and Spain in March at destinations all over Britain to enable them to build travel programmes and sell Britain more effectively.

Being a trusted voice

Throughout the year, we continuously kept the UK and international travel industry fully up to date with the latest changes on travel restrictions.

Our research and policy work also fed closely into this strand, with the former informing our positions and recommendations on the latter. We have ensured continued engagement with industry, through forums such as the Tourism Industry Emergency Response group (TIER), in order to inform reports, policy papers, and written evidence to select committee inquiries.

Strategically align with the Foreign, Commonwealth and Development Office (FCDO)

The purpose of this area of work is to use FCDO persuasion and influence to amplify our positive impact where it makes sense to do so. The people-to-people relationships created by tourism were highlighted in the FCDO's Integrated review as a soft power asset for Britain that we continue to develop.

Birmingham hosting the Commonwealth Games (CWG) in 2022 gave us a key focus for engagement activities in countries including India and Australia. In one especially high-profile event, we used Sydney Harbour as an iconic setting to showcase what the West Midlands has to offer. The UK's High Commissioner to Australia joined the Queen's Baton Relay at a spectacular light projection of the Baton's epic global journey to date.

Across the wider Asia Pacific, Middle East, Africa, China and North East Asia regions, the many other initiatives supported by FCDO posts included the launch of the GREAT campaign, the G7 summit in Cornwall, the COP26 Climate Change Conference in Glasgow and events surrounding the UK/Australia Season of Culture. A further highlight was the launch by the Secretary of State for Digital, Culture, Media and Sport of the global 'Welcome to Another Side of Britain' campaign at the UK National Day at Dubai Expo 2020.

Secure international Business Events

A one-off Domestic Support Fund enabled the return of in-person business events, helping 29 events across 13 UK cities to go ahead. All successful applicants of the Fund were from not-for-profit organisations, including associations and charities with an estimated spend of £3m. The Business Events Growth Programme supported 24 International Association programmes in locations across the UK, attracting an estimated 17,000 delegates and spend of £24.4 million.

We launched a refresh of our 'Great Events Shape the Future' brand which aims to inspire planners to choose the UK.

The online event MeetGB Virtual brought together 120 global event buyers, responsible for organising conferences, meetings and corporate incentives. They met 74 UK destinations and business events SMEs, showcasing the UK's events sector global business event organisers and decision makers.

Over 600 one-to-one meetings took place at the virtual event, where new business connections and relationships were forged.

Tourism and Business events were mentioned in the Government's Export Strategy, and conversations have begun with the Department of Trade to see how we can use our activity and connections to best deliver on the objectives outlined in the paper.

Support the English Tourism Industry

We aim to help players in the UK travel and tourism industries – particularly small and medium-sized businesses, Destination Management Organisations (DMOs) and Convention and Visitors Bureaux (CVBs) – ensure they are fully ready to welcome back visitors following the ravages of the pandemic.

The following areas have been the focus of our activities during the year:

Helping SMEs rebuild and recover

Purpose: to ensure that small travel and tourism businesses have a resilient and sustainable future.

Among many other initiatives, we led the annual English Tourism Week campaign, both to celebrate the sector's vibrancy and to promote careers in tourism. This again featured the annual Tourism Superstar competition, which celebrated its tenth anniversary in May 2022.

In an essential step to accelerate delivery of the Government's ambitions around enabling access for everybody, England's Inclusive Tourism Action Group met to agree essential measures for progress and to undertake a strategic review of the National Accessible Scheme.

We also worked closely with the tourist boards of Scotland, Wales and Northern Ireland during the year to support the delivery of the 'We're Good To Go' industry standard, designed to reassure customers that a business was compliant with public health guidelines. The scheme, which attracted 51,922 applications, closed to new applicants on 31 March 2022 following the end of COVID-19 restrictions.

We are particularly grateful to the World Travel & Tourism Council for the support it provided during the scheme. As awarding body of the 6,610 'Safe Travels' endorsement stamps downloaded by businesses in the scheme, it showed international travellers these were companies they could trust.

The marketing support we gave our Business Advice Hub reached the highest numbers of tourism businesses since July 2020, driving more than 58,000-page views in February 2022 alone. The £600,000 'England for Everyone' social tourism initiative, funded by DCMS helped 830 families who are struggling financially or face illness, isolation or bereavement get away for a break. We are working with the Family Holiday Association charity to ensure that 3,320 adults and children get a break in the period up to the 5th June 2022, which includes the Queen's Platinum Jubilee weekend.

Supporting the strategic development of DMOs

Purpose: to help Destination Management Organisations fulfil their potential by establishing clear objectives to drive recovery, sharing expertise and highlighting best practice.

We supported DMOs through two grant funds the Destination Management Company (DMC) and Inbound Tour Operators' Marketing Fund awarded £0.5million to 11 DMCs. A further £1milion was awarded to 11 DMOs in England in Round 2 of the Escape the Everyday Destination Management Organisations Recovery Marketing Fund.

We gave the nation's DMOs significant levels of strategic support throughout the year, using a variety of means including regular contact from our specialist DMO Taskforce and talks at conferences. We also provided additional support during English Tourism Week, delivering a DMO webinar and toolkit.

While successfully overcoming some technical issues along the way, we regularly shared bestpractice insights via our Webex-based DMO community and six-weekly phone calls. We regretfully postponed the face-to-face DMO forum we had planned due to COVID-19 restrictions, but aim to hold it instead during 2022-23.

Maximising usage of the Tourist Exchange Great Britain (TXGB) platform

Purpose: to streamline the ease of booking, increase the range of different tourism products and further embed existing offerings in the domestic and international markets.

This was a year of strong performance from our business-to-business TXGB booking platform, which links UK tourist businesses to a wide range of domestic and international distributors. We are pleased that Visit Wales has become a licensee to enable Welsh businesses to become suppliers and distributors and to access global distributors. Visit Wales are also piloting a community hub model to increase awareness and engagement among target businesses.

We successfully delivered the National Lottery Days Out voucher scheme despite the initial issues after the launch in October 2021 (see Risks and Challenges page 33). By 31 March 2022 over 200,000 vouchers were redeemed with a value of £4.6million. There was an additional £1.6million from direct and indirect spend at participating attractions and experience giving a total benefit to the visitor economy of £6.3million. An additional 115,551 trips were stimulated during the campaign period that would otherwise not have taken place. In total 311 suppliers and 652 products were onboarded to the campaign, via TXGB, onto the VB Retail Shop. As at end of April 2022, 171 suppliers have chosen to stay on these platforms to be distributed nationally and globally delivering a strong campaign legacy.

Other significant achievements include the development of a DMO trade portal to increase engagement with overseas and domestic tour operators and travel agents. And we successfully signed up Airbnb as a global distributor – following a delay due to the pandemic, we are now set to promote this during 2022-23.

Support Business Events in England

Purpose: to provide key players including DMOs and CVBs with recovery opportunities through a range of owned, earned and paid channels.

Meet England, which promotes England's business visits and events products, was extremely active during the year on many fronts, including the sponsorship of four webinars enabling 12 cities to provide progress reports and updates to an audience of influential UK event planners.

As well as delivering Cvent, the annual partnership to improve the profile listings of major English cities, Meet England also sponsored 14 cities to promote themselves on the Conferli conference match-making platform for organisers, venues and destinations.

Event England also sponsored influencer trips for the micebook events platform to promote domestic incentives in Cheltenham and the Cotswolds, Devon, Leicester and Blackpool. It additionally helped to organise 20 meetings with French and Swiss buyers in Paris during March, where the roundtable it co-hosted in partnership with AssociationWorld attracted 15 Association event organisers.

Be the Authority on Tourism

We aim to be the source of well-evidenced advice to help all tourism stakeholders – from the Government on policy, to SMEs on their investment decisions – make decisions that are both informed and effective.

During the year, we focused most attention on the following three areas:

Being a source of expert advice to Government

Purpose: to give DCMS and the wider Government the insight and information they need to support decision-making on major tourism policy initiatives.

We have kept in close communication with Government about the impact the pandemic has had on our industry and advised on interventions which will be most beneficial. To ensure our industry is speaking with one voice, we have facilitated round table discussions and participated in the Tourism Industry Emergency Response group (TIER). We have provided timely data and insights to both the industry and policy makers, including on tourism forecasts and international sentiment towards British tourism.

We have been closely engaged with the DCMS's Policy Sprint to investigate how national and local Government, regional partners and the private sector can work together to support the visitor economy at a regional level. Using the North East as a test region, we helped to host a workshop in Newcastle in late March 2022.

Other significant actions during the year included our role in informing the Home Office Reimagination Group, a senior committee created to assess proposals for global visa delivery. We also provided written evidence to several Parliamentary enquiries, including those into inbound tourism, the promotion of Wales as a destination, and the built environment.

Looking ahead we want to support visitors and our global travel trade partners to find products and experiences that will enrich their stay and we know that, amidst the global challenges of climate change and the COVID-19 pandemic, sustainable and responsible tourism has risen as a priority. With that in mind, we published a <u>Sustainable Tourism Discussion Paper</u> after consulting with industry stakeholders. We are now working to incorporate measures of sustainability into our research and building a global sustainable tourism content 'hub', to support businesses and visitors make environmentally-friendly choices. We are also proud that our CEO, Patricia Yates, has been invited to be Chair of the Sustainability Working Group of the Tourism Industry Council. We believe this is a positive endorsement of the role we play on behalf of the UK's tourist sector.

We continue to play a critical role in spearheading Britain's image overseas, shaping the positive public perceptions that form the basis of the Global Britain strategy. The people-to-people connections that our sector facilitates were rightly recognised in the Government's 'Integrated Review of Security, Defence, Development and Foreign Policy'. We have also supported on the visits of UK Government Ministers to markets including the Secretary of State for Digital, Culture, Media and Sports visits to New York and Dubai.

We are awaiting the Government's response to the <u>DMO Review</u>, and look forward to playing our role in the implementation of the recommendations.

Providing data and insight

Purpose: to ensure that internal decision-makers and external stakeholders alike have access to the timely, accurate and relevant information they need.

We have carried out the following research during the year for inbound tourism:

- The official inbound tourism statistics from the International Passenger Survey produced by the Office for National Statistics.
- International COVID-19 sentiment tracker which we conduct together with VisitScotland, Visit Wales, and London & Partners. <u>https://www.visitbritain.org/inbound-covid-19-sentiment-tracker</u>
- We have updated our inbound tourism forecast regularly <u>https://www.visitbritain.org/2022-</u> tourism-forecast

At year end, research was underway in 10 European markets looking at ID card and passport ownership, sentiment towards Britain, appetite for travel, understanding of the new rules and perceived barriers We conducted a quantitative global survey into what motivates people to travel, and a short survey on the impact of the war in the Ukraine on the intent to travel to Britain.

We also published the research into domestic consumer sentiment commissioned jointly by VisitEngland, VisitScotland and Visit Wales as well as official domestic tourism statistics produced jointly by VisitEngland, Visit Wales and VisitScotland. The tourism statistics are undergoing a major methodological change so no statistics were released during the current year. Data for 2021 and beyond is due to be released in July 2022.

Additionally, we released the Annual Attractions Survey in August to which all English visitor attractions are invited to take part and realised monthly occupancy statistics in the England Occupancy Survey <u>https://www.visitbritain.org/accommodation-occupancy-latest-results</u>.

Our corporate website is a trusted source of data and information

Purpose: to give the UK tourism sector access to data they can trust, complemented by proactive communication with industry stakeholders and the media.

We continued to ensure, via the website, that industry stakeholders always had the most up-to-date information on the removal of travel restrictions, including that of the passenger locator form.

Deliver Transformation

We are committed to creating and sustaining a more effective organisation with the culture, skills, capabilities, tools and systems to deliver the best experience for our people, customers and other stakeholders.

The following four focus areas have dominated our activities during the year:

People strategy

Purpose: to ensure we have in place the culture and resources we need to fulfil our mission on behalf of the UK's tourist industry.

We remained on target with all aspects of the three-year implementation plan we launched the previous year. For details of progress see Our People section on page 56.

An Estates Strategy Group is developing an internal Global Estates Strategy, according to the vision statement:

"Empowering our teams to work flexibly from optimal locations in a way which best supports the aims and ambitions of VisitBritain and VisitEngland".

The Estates Group conducted an early analysis of the strategic options: No physical office (fully remote); one regional office; multiple regional offices; and the case for London. From this work, the

following early recommendations were made to, and agreed by, the Remuneration and People Performance Committee and DCMS:

- Hybrid working will continue and evolve. We will adopt a 'hub and spoke' model in the UK. The hub (HQ) will shift to a new location outside of London. The spoke(s) will be limited in number with one in London. We will not adopt a fully remote / virtual model. Our base location and hybrid working strategy will ensure we continue to engage with industry and help us to secure talent.
- Where we work (UK): An initial 'long list' list of nine cities for a future hub.
- In principle the international network should be on the FCDO platform wherever possible, to align with FCDO partners and remain close to the Integrated Plan.
- We will relocate UK staff via attrition (not redundancies). We estimate that it will take 4+ years to replace London-based staff as they leave and are replaced by staff based outside of London

Digital transformation

Purpose: to strengthen corporate processes by replacing dated content-management, customerrelationship management (CRM) and retail systems.

While we faced significant challenges during the year in keeping the Digital Customer Experience Project on track, by year end we had successfully resolved many of the issues hindering progress (see Risks and Challenges page 33). As a result, we ended the year on track to deliver our entire scope of work in this area for 2022-23, including the launch of the first workable version of our new consumer website before the end of 2022. We were also well placed to launch our new Digital Asset Management system, both internally and externally, early in the new financial year.

Our CRM and email platform replacement project ensures that we collect quality data with a clear understanding of what we are holding, and why. We created a single and agreed vision on how to build and maintain the value of our relationships with key stakeholders; and for the role and purpose of email meaning that our contacts with our audiences will be relevant, on the right channel, and will be effective in helping us achieve our goals. We will further refine the new platform during 2022.

Retail strategy

Purpose: to help us rebuild our e-commerce profit via revenues generated from our commercial activities.

We made substantial updates to our core e-commerce platform during the year, including important improvements to our customer-service processes see the 'Maximising usage of the Tourist Exchange Great Britain (TXGB) platform' section on page 29.

These included better functionality for sending vouchers and confirmation emails, advanced application and order monitoring, and improved messaging on customer errors which supported the National Lottery 'Days Out' promotional campaign (see Risks and Challenges page 33).

Data Transformation

Purpose: to ensure we understand all essential trends and changes within the market place, enabling us to operate efficiently and provide Government with data and insight that feeds into policymaking.

At year end, we were involved in high-level conversations with the Cabinet Office and DCMS to help us establish a fully compliant procurement strategy that will enable us to accelerate delivery timeframes of our data-capability transformation programme.

Compliance

We have continued our focus on compliance during the year in order to maintain our effectiveness as an organisation. Our achievements and progress regarding compliance are noted in the Risks and Challenges section on below.

Risks and Challenges

During 2021-22, we faced a number of challenges the most substantial being the COVID-19 pandemic. COVID-19-related activity and crisis response was a big part of all activity we completed. As the national tourism agency, the bulk of our budget was spent working in close partnership with the tourism industry to ensure that it received the support it needed to recover and improve beyond pre-pandemic standards. The on-going COVID-19 pandemic uncertainty and changing restrictions to inbound international travel limited the organisation's ability to recover the visitor economy and delivery on the Tourism Recovery Plan.

Other key risks faced by the organisation were as follows:

Transformation and Compliance

There was a risk that the transformation programme, which commenced in 2020-21, could take longer than expected to deliver therefore not making effective use of the funding available as well as resulting in the organisation not being fit for purpose nor able to meet its strategic objectives.

The internal governance groups which monitor progress and budgets, resolve issues and reported regularly to the Executive Directors, were a key mitigation. In addition, there was agreement that staff would not be expected to cover transformation work as well as normal operations.

A number of mitigating actions were put in place specifically for the digital transformation programme to bring it back on track including: additional resources, establishing a Decision-Making Group to expedite decision making and agreeing key principles for the minimum viable product.

Funding was secured in our spending review settlement to deliver the full programme for the next three years.

The compliance programme for the year has been delivered eliminating any areas where there are concerns over the lack of effective controls in proportion to risk. The number of areas where there is some concern of controls in place in proportion to risk has decreased by nearly 50%. The results of the health check on the India subsidiary revealed some potential non-compliance issues and there is a risk that financial penalties may arise. These are being addressed with support from our Indian advisors, and are likely to take most of 2022-23 to conclude. On-going compliance of regulatory returns are being completed as required. This is disclosed as a contingent liability in note 24 of the accounts.

Funding

As part of the Tourism Recovery Plan the National Lottery Days Out voucher scheme was launched at the beginning of October 2021 to support domestic (England) tourism by stimulating demand for off-season day trips to visitor attractions. The scheme allowed Lottery players to use a Lotto ticket to redeem a voucher to use at a participating attraction using the new VisitBritain shop (VBShop) e-commerce platform as the primary means of fulfilment. Due to the complexity of the project and short

timescales to achieve the launch there were numerous challenges, including a number of technical integration issues with the new platform which led to a number of failed bookings and a surge in customer service enquiries. A number of mitigating actions were put in place including diverting a significant number of internal staff to support customer queries, procuring third party customer service support and working with the technical supplier to resolve the technical issues. A review of the learnings from the first phase was undertaken and the key findings were embedded in the second phase of the promotion and are being used to inform wider project working in the organisation.

The second phase of the campaign, launched at the end of January 2022, was much more successful with 56% of the total vouchers redeemed in this phase. 235 suppliers from the UK industry participated in the campaign, 40 of whom were existing VBShop suppliers and 195 on-boarded via the new platform for the campaign.

Marketing Approvals

In order for the organisation to deliver on its marketing activity, to stimulate domestic and international demand to aid recovery, Cabinet Office (CO) spending control approval is required. There are also conditions and requirements attached to the approvals given regarding creative content and approvals. There was, and continues to be, high levels of involvement by the CO on the creative content of campaigns. The time taken to achieve the required approvals has limited our ability to plan ahead and be active in market at the right time, thus missing crucial opportunities to promote Britain as a destination.

There has been active engagement with DCMS and CO through the year in order to deliver the 'Welcome to Another Side of Britain' campaign, ensuring that the required approvals are in place. This continued into 2022-23 to allow the campaign, particularly promotion of the Commonwealth Games in Birmingham, to continue uninterrupted from one financial year to the next.

Sustainability Report

Impact of Tourism on the environment

The momentum behind the sustainability agenda is growing. New policy initiatives from Government, consumer trends, and business commitments all point to a substantial shift in the way industries must act. As a statutory advisor to Government on tourism policy we too have a responsibility to understand the direction that the tourism sector is moving in, and set out what our role is in supporting the industry in this change. We published a <u>Sustainable Tourism Discussion Paper</u> after consulting with industry stakeholders the details of this and next steps are on page 30. We will also be recruiting an internal sustainability lead during 2022-23.

We also published an internal sustainability paper in September 2021 with the ambition to enable the teams across the organisation to holistically adopt sustainability into their business as usual activity, irrespective of future funding outcomes, so that a clear baseline of action is present and ready for any future investment in specific sustainable programmes.

Sustainability metrics

Indicator	Units	2021-22	2020-21	% Change	
Non-financial					
Total CO ₂ emissions	Tonnes	177	83	15%	
Energy consumption	KWh	332,343	288,542	7%	
Total waste	Tonnes	224	13	557%	
Water consumption	Metre ³	1,118	1,245	-4%	
Financial					
Energy consumption costs	£'000	67	26	48%	
Official business travel	£'000	106	18	25%	
costs	2000				
Waste disposal costs	£'000	2.5	3	-12%	
Water supply costs	£'000	-	1	-47%	

Waste Management		2021-22	2020-21	
Non-financial indicators (tonnes)				
Total Waste		223.5	13.2*	
Hazardous Waste		-	-	
Non-hazardous waste	Landfill	133.3	-	
	Reused/Recycled	-	5.0	
	Incinerated/energy	90.2	8.2	
	from waste			
Financial indicators (£'000)				
Total waste disposal costs	2.5	2.9		
Hazardous waste disposal cost		-	-	
Non-hazardous waste	Landfill	1.0	-	
disposal costs	Reused/Recycled	-	0.3	
	Incinerated/energy	1.5	2.6	
	from waste			

*The total of non-hazardous waste is consistent with that reported in 2020-21 but the split between types has been corrected.



The COVID-19 pandemic has continued to impact on our sustainability metrics with travel restrictions meaning that most meetings continued virtually rather than in-person. Our move to hybrid working during the year increased office-based working resulting in emissions and energy consumption that were higher than last year but still significantly lower than pre-pandemic levels.

There were reduced travel restrictions for parts of 2021-22 and thus levels of business travel increased but still significantly less than pre-pandemic levels.

This year sees an increase in total electricity and natural gas usage and therefore the total cost of energy consumption has increased due to increased levels of office-based working during the year. Total water consumption has decreased due to the meter and charge arrangements of our London premises.

Total waste for 2021-22 included a one-time clear out of a document storage warehouse in line with our records management policies.

We expect our emission levels to increase further next financial year as activity is restored with more office-based working and teams getting together again to promote collaborative working. However, we will continue to work with a hybrid approach optimising when virtual and face to face are appropriate.

Our policies and choices continue to help us improve our energy efficiency, reduce our carbon footprint and our overall impact on the environment including:

- **Co-locating our offices** wherever possible. Over 90% of our overseas offices are located within the Foreign, Commonwealth and Development Office or British Council premises. In the UK we occupy some desk space with another DCMS Arm's Length Body.
- **Our travel policy requires** staff to consider carbon footprint before deciding if travel is necessary and to use public transport where possible.
- Our policies of hybrid and flexible working which are now in place for the long term.
- We encourage more environmentally friendly commuting by offering a Cycle to Work Loan Scheme.
- We factor the environment into our procurement through using Government Buying Standards and where sustainability issues are critical to the performance of a product or service, we will ensure that they are included in our selection process.
- Our sustainable print buying policy recommends using Forest Stewardship Council certified or recycled paper for our marketing materials, leaflets and books. We avoid using materials and print finishes that are non-recyclable and regularly review print volumes and stock levels to minimise wastage.

Patrice Yula

Patricia Yates Accounting Officer of the British Tourist Authority 07 July 2022



Governance Statement

This statement summarises our governance arrangements, explains how they support the achievement of our objectives and gives an assessment of their effectiveness. It incorporates the Directors' Report.

Overview

As Accounting Officer, I have responsibility for accounting to Parliament, the Department for Digital, Culture, Media and Sport (DCMS), the Board and other stakeholders for the income and expenditure of the whole organisation under the VisitBritain and VisitEngland brands. I am personally responsible for safeguarding the public funds for which I am in charge; for ensuring propriety and regularity in the handling of those public funds; and, reporting to and working with the Board, the Audit and Risk Committee and the Directors to ensure effective governance and risk management processes are in place and they operate as intended. I consider the annual report and accounts to be fair, balanced and understandable with the information available to assess the organisation's position, performance, business model and its strategy.

I ensure that the organisation as a whole is run on the basis of the standards, in terms of governance, decision-making and financial management, that are set out in HM Treasury's "Managing Public Money" and our Framework Agreement with DCMS.

I am supported by a team of operational Executive Directors, including the Director of Finance who has responsibility for financial and compliance matters.

The Accounting Officer and CEO for the period of 1 April 2021 to 31 March 2022 was Sally Balcombe and this statement reflects the assurance over governance, controls and risk management which was passed to myself as Interim Accounting Officer and CEO when Sally stepped down from her role on 8 April 2022.

Our Governance Framework

Scope of responsibilities

The British Tourist Authority (BTA) is the national tourism agency, a non-departmental public body (NDPB) funded by the Department for Digital, Culture, Media and Sport. Accountability to Ministers is managed through the usual control mechanisms for NDPBs in accordance with a Framework Agreement with the Secretary of State for DCMS. Following the 2015 Spending Review the BTA undertakes Britain-wide and England-specific activity respectively under the brands VisitBritain and VisitEngland.

Board

 Comprises a Chair and up to 10 other member State for DCMS, 1 by the Welsh Assembly. The Board and Visit Scotland are ex-officio. Nominees from London & Partners, the Northe Executive Directors attend meetings by invitation members. Met 6 times in 2021-22 Maintains accountability for delivery of all activity that it fulfils its role under the Development of The Maintains both VisitBritain and VisitEngland brates. Establishes the strategic direction of VisitBritain performance against these targets. Consults with the VisitEngland Advisory Board Ensures that high standards of corporate gover The Chair is accountable to the Secretary of States. 	e Chairs of the Visit England Advisory rn Ireland Tourist Board, DCMS and on as observers, but are not Board ity on British and English tourism ensuring Fourism Act 1969 ands. In and VisitEngland and monitoring for advice on English tourism matters. mance are observed at all times.
VisitEngland Advisory I	Board (VEAB)
 Comprises a Chair and 5 other members all of State for DCMS. Nominees from DCMS and Executive Directors members Met 3 times in 2021-22 Advises the Executive and Board on the develor VisitEngland Action Plan Legally accountable to the Board and Accounti responsibilities through a Governance framework Does not receive any income directly from the costs are met from BTA's resources. 	attend meetings by invitation, but are not opment and implementation of the ng Officer of BTA who exercise their ork put in place in 2016
Committees	\$
Remuneration and People Performance Committee (RPC)	Audit and Risk Committee (ARC)
 Comprises 4 members; BTA Chair, VEAB nominee, 2 other Board members. The CEO, Director of HR and Professional Services, Director of Finance attend meetings as required Met 4 times in 2021-22 Reviews the pay remit submission to DCMS as well as consolidated and non-consolidated payment ranges Reviews remuneration levels, compliance with HR standards, policies and procedures, staff performance and well-being 	 Comprises 5 members; 4 from BTA Board and VEAB and 1 independent member. The CEO, Director of Finance, Internal and External auditors attend every meeting. Other Executive Directors attend as required. Met 4 times in 2021-22 Remit reflects good practice principles as set out in HM Treasury's Audit and Risk Assurance Committee Handbook
Executive Direc	ctors
Manage the day to day operations of the organ	isation

Our Board

The BTA Board is led by the Chair. During the year the Chair, Rt Hon. the Lord McLoughlin CH resigned and was replaced, on an interim basis from 1st August 2021 to 31 July 2022, by Dame Judith Macgregor. There were no other changes to the Board during the year. The biographies of members are available on our corporate website: <u>https://www.visitbritain.org/our-team</u>.

The Chair ensures that all Members of the Board, when taking up office, are fully briefed on the terms of their appointment and on their duties and responsibilities. All new Board Members receive a comprehensive induction pack, which includes copies of all relevant governance material, and attend an induction session with the Chief Executive Officer and Executive Directors.

The recruitment and appointment process for those Board Members appointed by the Secretary of State for DCMS is carried out in accordance with the Office of the Commissioner of Public Appointments' Code of Practice, and takes full account of the Chair and Board's assessment of any gaps in the skills and competencies required to ensure a well-rounded Board equipped to carry out its responsibilities for BTA.

With the exception of the Chair, BTA Board members are currently appointed for an initial 5-year term. Second term reappointments for 5 years need approval and the member needs to demonstrate why they should be reappointed.

The Chairs are currently appointed for 3 years, with a maximum term of 6 years.

BTA Board Members receive timely, regular and appropriate management and other information to enable them to fulfil their duties. They also have direct access to the advice and services of the Secretary to the BTA Board and have regular informal contact between meetings with the Chair, Chief Executive, and Senior Management Team as appropriate; particularly in relation to any discrete areas of activity which individual Members sponsor. This helps to foster an open relationship and regular exchange of knowledge and experience between the Management Team and Board Members.

Board Member	2021-22 Meeting Attendance	Term of Appointment	Committee (where applicable)
Rt Hon. the Lord McLoughlin CH	1/1	Jun 2020 to Jul 2021	Remuneration and People
Dame Judith Macgregor DCMG LVO	6/6	Dec 2017 to Nov 2023	Remuneration and People
Rt Hon. the Viscount Thurso	6/6	Apr 2016 to Mar 2024	-
Nick de Bois	5/6	Jun 2020 to May 2023	Audit and Risk; Chair, VisitEngland Advisory Board
Carol Hui	5/6	Jan 2020 to Jan 2025	Audit and Risk
Peter Gowers	5/6	Jan 2020 to Jan 2025	Audit and Risk
Karin Sheppard	6/6	Jan 2020 to Jan 2025	Remuneration and People
Robin Frewer	5/6	Jan 2020 to Jan 2025	Remuneration and People
Ian Edwards	6/6	Dec 2018 to Dec 2024	-

Key areas which the Board focused on during the year were:

Funding and budget	Review and updates on the outcome of the Comprehensive Spending Review Approval of the 2022-23 Budget
2022 to 2025 Strategy Development	Developed, challenged and approved the overall approach and focus areas of three-year strategy and vision including the corporate priorities for 2022-23.
	Considered the initial roadmap for building sustainability into British tourism.
Covid-19	Monitored the impact of the COVID-19 pandemic on Britain's tourism economy, and provided advice and guidance to both Government and industry on disaster management and recovery.
Effectiveness Review	A review of the Board was facilitated by an independent organisation who presented their report in January 2022. There were 4 key areas of recommendation: for the Board to focus more on strategic direction; enabling of Board members to further advise and support the organisation; work burden of governance and compliance monitoring to fall to the Audit and Remuneration Committees; meeting formats to vary to suit topics of discussion.
Corporate Risk	Reviewed and agreed the risk appetite, revised risk management policy and risk measurement approach. Undertook a deep dive on key risks for the organisation in 2022-23 regarding transformation and commercial ambitions.
Performance Progress reports	Industry performance data
(see 'Data used by the Board'	Review of progress against corporate priorities
below)	Development of the Tourism Exchange Great Britain (TXGB) e- commerce platform
	National Lottery Days Out voucher scheme
	Regular management accounts
	Reports from VisitEngland
Annual Report and Accounts	Approval of the 2020-21 Annual Report and Accounts

Data used by the Board

The Board considers the standard of the data and information it receives in terms of quality, accuracy and timeliness as commensurate with its responsibilities but if it considers it necessary, requests additional information or clarification. The Board's understanding and scrutiny of the quality of data are also informed by the work of the Audit and Risk Committee and that of the internal and external Auditors.

The type of data and information used by the Board are as follows:

- Industry performance is assessed using data from independent third-party sources such as the ONS International Passenger Survey and insights and market intelligence gathered on territory by our managers.
- Financial data is sourced from our Financial Information System from which the management accounts are produced.
- Human resources data and metrics including diversity, off payroll and pay remit.

- Non-financial performance reports, including separate reports on our retail activity, enable the Board to monitor progress against corporate and business plan targets. These include measures of campaign performance and PR reach and effectiveness. Evaluation is based on tourism industry standards for campaign performance, compiled by internal experts. Measures also exist for digital, including social media, and marketing in-kind.
- Progress reports on major areas of programme activity and reviews of the competitive landscape and the issues which impact on Britain's performance as a global destination in each of the territories in which VisitBritain operates.
- Reports on VisitEngland's financial and non-financial performance

VisitEngland Advisory Board (VEAB)

The BTA Board receives advice on English tourism matters from the VEAB and is chaired by Nick de Bois. The biographies of members are available on our corporate website: https://www.visitbritain.org/our-team.

The Chair ensures that all Members of the Board, when taking up office, are fully briefed on the terms of their appointment and on their duties and responsibilities. All new Board Members receive a comprehensive induction pack, which includes copies of all relevant governance material, and attend an induction session with the Chief Executive Officer and Executive Directors.

VEAB Member	2021-22 Meeting Attendance	Term of Appointment	Committee (where applicable)
Nick de Bois	3/3	Jun 2020 to May 2023	Audit and Risk
Fiona Pollard	3/3	Mar 2018 to Mar 2026	Chair of Remuneration and People Performance
Allan Lambert	3/3	Mar 2018 to Mar 2026	
Dr Andy Wood OBE	3/3	Jan 2020 to Jan 2025	
Nadine Thomson	3/3	Jan 2020 to Jan 2025	
Sarah Fowler	3/3	Jan 2020 to Jan 2025	
Nigel Halkes	3/3	Jan 2014 to Jan 2022	Audit and Risk

Key areas which VEAB focused on during the year were:

Consumer Campaigns	Delivery of consumer campaigns and digital content
Strategy	Review of progress against VisitEngland priorities Continued to develop the Business Events strategy for England. Maintained distinct activities to develop and market English tourism, such as the delivery of the annual English Tourism Week campaign. Annual England tourism awards, and ensuring the development of English tourism products launched in market.
National Lottery Days Out	Review and updates on the progress and challenges of the National Lottery Days Out voucher scheme
Grants	Strategic oversight of the Discover England Fund
ТХСВ	Continued development of the TXGB platform
Partnerships	Maintained and developed strategic partnerships.

Committee Activity

The Audit and Risk Committee and the Remuneration and People Performance Committee review and consider any governance matters, within their Terms of Reference, or as referred to them by the Board.

Set out below are some key areas which the Committees focused on during the year

Remuneration and People Performance Committee (RPC)	Audit and Risk Committee (ARC)
Review of annual remuneration levels	Review of the corporate risk registers and a deep dive risk review including risk appetite, risk management policy, risk measurement and two key future focussed risks on Transformation and Commercial ambition
HR Policy review	Held closed sessions with Internal and External auditors
Compliance with standards and processes	Review of internal audit reports and monitoring of progress of recommendations
Review of staff performance, wellbeing and	Annual review of the assurance map and
development	agreement of 2022-23 compliance programme
Review of progress on the People Strategy	Reviewing progress against the compliance work programme
Policies on remote and flexible working	Review of 2020-21 Annual Report and Accounts prior to submission to the Board
Oversight of the Global Estate Strategy	Effectiveness Review was undertaken over March and April 2022

Committee members and attendance for 2021-22

Remuneration and People Perf	Audit and Risk		
Member	2021-22 Attendance	Member	2021-22 Attendance
Dame Judith Macgregor DCMG LVO Chair until July 2021	4/4	Carol Hui (Chair)	4/4
Rt Hon. the Lord McLoughlin CH Resigned July 2021	1/4	Peter Gowers	4/4
Fiona Pollard (Chair) Appointed Chair August 2021	4/4	Nick de Bois	3/4
Karin Sheppard	4/4	Nigel Halkes <i>Term ended Jan 2022</i>	3/3
Robin Frewer	1/4	Tim Hurdle Independent member	4/4

Declaration of interests

Arrangements are in place through which potential conflicts of interests are recorded and managed. The purpose is to avoid any risk of Board Members being influenced, or appearing to be influenced, by their private or other interests in the exercise of their public duties for the BTA.

The Register of Interests of our Board Members is available on our website: <u>https://www.visitbritain.org/board-meetings-committees.</u>

Employees are also asked to declare potential conflicts of interest and a separate register is maintained to record these. In addition, all Board and Committee Members are required to declare an interest if they or their close family have an interest, financial or otherwise, in any matter being considered at the meeting. The Board or Committee will then decide whether or not it is appropriate for the Member to participate in the discussion on the item in question. In 2021-22 there was one withdrawal from Board or Committee discussions.

Senior Executive Team

The Board appoints and employs the Chief Executive, who leads an Executive Director team. The Executive team is responsible for the management and performance of the organisation and the delivery of the strategy on behalf of the Board under the Financial Control Framework and procedures approved by the Board. Executive appointments are filled through open recruitment. Executive Directors who served during 2021-22 are shown below.



Notes

- Sally Balcombe stood down on 8th April 2022, and was replaced by Patricia Yates on an interim basis. A recruitment process to appoint a permanent replacement started March 2022.
- Serena Jacobs was appointed Director of Finance in October 2021 replacing Peter Mills.

Other Governance Groups

There are three internal governance groups which report into the Executive Directors. These groups provide overall governance for programmes, review cross organisation resources and agree priorities, and approve business cases (within set limits). The structure and terms of reference of these groups are reviewed annually.

There are other groups which support the three groups and provide project/programme level governance, change control (within set limits) and provide a forum for strategic/longer term discussion. The individual support level provides oversight over delivery and resolve operational/tactical issues.

The structure, role and support of the internal governance groups are detailed in the table below.

There are also various staff networks not involved in delivery for example: Diversity and Inclusion Network, Staff welfare network, Communication champions, Mental Health First Aiders, Change agents' network, Business Planning Champions.

	Internal Governance Structure					
Group	People Board	Compliance and Transformation Steering Group	Recovery Steering Group			
Role	People and Places including the implementation of the People Strategy, HR transformation and the Estates strategy	Oversight of the annual compliance programme and transformation projects	Covid-19 Recovery and industry engagement			
Group support	Vision Implementation Group, made up of senior managers is a sounding board and helps to drive through the changes.	 IT&Digital Board who provide project governance and a forum for IT and digital related issues. Data Board who provide governance over the data work. 	Recovery Programme Team who develop, implement and oversee project teams and their delivery.			
Individual support	Change agents to support the delivery and take up of the people strategy.	 Project/Programme steering groups providing oversight over individual projects. Digital Change Group that support benefits realisation for the Digital Customer Experience programme. 	Recovery Projects including Supply Side Support, Business Events, England Marketing, Britain Marketing, Commonwealth Games.			

Risk Management and Internal Controls

Internal controls

BTA's system of internal control are reinforced by our numerous policies and procedures to ensure that we are compliant with the policy, financial and accounts directions issued by our sponsor department, DCMS.

All our Directors have provided to the CEO and Accounting Officer for 2021-22 assurance that proper and reasonable internal controls have been in place and have operated effectively over the accounting period, and that appropriate standards of conduct have been upheld within the areas for which they are each responsible. While a number of areas were highlighted in these statements all of these were known and as the current Accounting Officer I am satisfied that these have been, or are being, managed appropriately. The areas highlighted in the statements are those detailed in the Risk and Challenges section on page 33 and 34.

The BTA Board is responsible for ensuring that effective arrangements are in place for risk management and internal controls. Our internal audit programme of work has been focused during the year to provide added assurance around the internal control environment (see independent assurance section on page 49).

Risk management

Our approach to the internal control environment is designed to manage risk to a reasonable level within our agreed risk appetite rather than to eliminate all risk. The Board, Audit and Risk Committee and Executive Directors consider the organisation risk profile and risk appetite annually. The Board and the Audit and Risk Committee reviewed and agreed a revised risk management policy, risk measurement approach, risk appetite and corporate risk register in March 2022. A risk deep dive was undertaken on two major strategic risk areas for the next three-year period Transformation and Commercial Ambitions.

The overall risk appetite for the organisation was agreed as 'Open' where our approach is to be innovative and take risks where appropriate to achieve our strategic objectives. Our risk appetite has also been prominent in discussions during the year as we have looked to ensure it is part of our decision making. There are some circumstances where we will accept lower levels of risk as shown in the table below.

Risk Appetite	Description	Activity Area
Avoid	Avoid risk and uncertainty in achievement of key deliverables. Will only undertake activities considered to have virtually no inherent risk.	Breaching funding allocationPersonal misconduct
Averse	Preference for safe delivery options with only undertaking activity where there is a low level of inherent risk.	 Data, personal, systems and physical security Compliance with procurement regulations Situations that affect the reputation and the credibility of the organisation or its staff.
Cautious	Preference for safe delivery options with real potential for benefits. Undertaking activity where there may be high inherent risk but is controlled to a low level of residual risk.	 Spending in order to maximise the use of resources and minimise underspends Contract management for critical and high risk 'Gold' level contracts

The Executive Directors, Audit and Risk Committee and the Board have maintained oversight of strategic risks through the corporate risk register and have worked to ensure they are mitigated against. This includes continuing quarterly reviews and risk discussions, regular heads of department review of operational risks and escalating risks that we reach the level of the corporate risk register, adding, removing and adjusting risks. Additionally, we review risks to the tourism sector, these may not always be within our control, but we recognise how important they are to the delivery of our strategy and prompt us to consider if there are areas we should monitor more closely or additional mitigations we should put in place.

Fraud and personal data related incidents

BTA suffered no fraud losses during 2021-22. BTA has in place a Counter Fraud, Bribery and Corruption Policy. Even though the organisation's grant function is relatively small, during the year the Internal Auditors undertook an assessment of the maturity of our grants function to support the compliance with the Government Functional Standard on Fraud (GovS013: Counter Fraud). The assessment showed a reduction from 10 to 3 of the metrics not yet meeting minimum requirements. During 2022-23 we will focus on meeting the final requirements.

No losses of information took place and no reports were made to the Information Commissioner's Office during the year.

The number of Freedom of Information requests in this period was 31. All were responded to promptly.

Functional standards compliance

We assessed our compliance against the Government Functional Standards included within our Framework Agreement with DCMS during the year. Of these six standards we met the 'shall' requirements by March 2022. The Human Resources functional standard does not apply to BTA as our staff are not part of the Civil Service.

The assessment against all 'shall' requirements for the remaining functional standards will be completed as part of the 2022-23 compliance programme agreed with the Audit and Risk Committee.

Russian sanctions compliance

In light of the sanctions imposed on Russia we undertook the following actions:

- Ceased all marketing activity in Russia
- Checked all payments to Russian bank accounts and that payments against Russian activity were not on the sanctions list
- Reviewed all of our contracts in line with the Procurement Policy Notice 01/22: Contracts with suppliers from Russia and Belarus and found no evidence of any links to a designated person or organisation
- Included sanction list checking for all new contracts greater than £25k
- Reviewed our Russia operations which all run through London or the Embassy in Moscow with staff being paid via the Foreign, Commonwealth and Development Office.

Whistleblowing

BTA has a whistleblowing policy which was reviewed by the Audit and Risk Committee during the year. The policy identifies various routes for concerns to be raised including the independent SeeHearSpeakup hotline. There were no whistleblowing reports received during the year.

Independent Assurance

Internal Audit provides an objective evaluation of, and opinion on, the overall adequacy and effectiveness of the organisation's framework of governance, risk management and control processes. An annual programme of internal audit work was carried out to professional standards by Mazars LLP informed by our risk registers, and an assessment of assurance requirements. Mazars also fulfilled the role of Head of Internal Audit. Mazars LLP have been the internal auditors since October 2016. The contract was competitively tendered in 2020.

After a review of our internal audit provision we have appointed the Government Internal Audit Agency to undertake internal audit and the role of Head of Internal Audit from 1 April 2022. This change was agreed by the Audit and Risk Committee in March 2022 with the support of DCMS.

The Internal Auditors attend each Audit and Risk Committee meeting and provide periodic progress reports which include the findings of follow-up reviews, culminating in an annual report to the Audit and Risk Committee on internal audit activity. The internal audit programme for the year covered five strategic review areas which included a Cyber security ransomware readiness review, a review of our China operations and Records and Treasury Management.

Mazars have concluded, on the basis of the work undertaken during the year, that the framework of governance, risk management and control of the BTA is Moderate in its overall adequacy and effectiveness. This means that some improvements are required to enhance adequacy and effectiveness. This opinion is consistent with the prior year. While we have made further progress, this year including the introduction of a new risk register and measurement matrix (see Transformation and Compliance on page 33), Mazars, through their work during the year, identified some improvements that are required to enhance adequacy and effectiveness

There were six 'Priority 1' significant weaknesses identified within the ransomware review of which three were completed by the end of March 2022 with significant progress made on the remaining three. The total number of Priority 2 weaknesses reduced from 20 in 2020-21 to 14 this year.

The compliance programme for 2022-23 agreed by the Audit and Risk Committee includes ensuring the implementation of all recommendations from the audits undertaken in 2021-22.

Financial Governance

Cash management

Our cash balance for the year was £5.6m (2020-21 £2.9m). Grant-in-Aid was drawn down to cover the anticipated invoices for the marketing campaign launched in February, however fewer invoices than anticipated were received and paid by the end of March.

We hedge 75% of our non-sterling costs in accordance with our foreign exchange policy to protect from exchange movements. We kept our overseas bank balances low to avoid foreign exchange revaluations creating additional costs at the year end. All of the hedges were used by December 2021.

Equity

Total Taxpayer Equity is a £4.8m surplus (2020-21: £15.6m deficit) made up of the pension reserve surplus of £0.5m (2020-21: £23.6m deficit) offset by the general reserve surplus of £4.3m (2020-21: £8.0m surplus). The decrease in the general reserve surplus is a result of expenditure increasing in the final quarter to deliver campaigns before the Grant-in-Aid cash was drawn down (see page 23). The change from a pension reserve deficit to a surplus is as a result of the calculation of pension liabilities in IAS19 as explained on page 50.

Working capital



Working capital decreased year on year by £4.5m from £7.5m in 2020-21 to £3.0m as at 31 March 2022 due to:

- Reduction in inventories of VBShop stock by £2m due to upturn in retail activity
- The drawdown of cash in anticipation of marketing activity invoices in March 2022 which didn't materialise until after the end of March (see above).
- £2.9m increase of trade payables as a result of increased activity in the final quarter, the costs of which did not fall due until April 2022 thus creating a larger difference between cash held and trade payables than in 2020-21.
- £2.7m increase of trade payables as a result of the accrual of grants committed for various funds by 31 March 2022 (see page 24)

Pension schemes

The British Tourist Authority has a number of pension schemes. The UK defined benefit pension scheme (British Tourist Boards' Staff Pension and Life Assurance Scheme), a US hybrid defined benefit and defined contribution scheme and a number of defined contribution schemes in various countries including the UK.

The IAS 19 valuation of the defined benefit and unfunded pension liabilities for accounting purposes of the two defined benefit pension (UK and US) schemes was a surplus of £0.5million (2020-21: a deficit of £23.6million). This includes the unfunded pension liability of £107k (2020-21: £118k) for pension payments to former Chairs. The UK scheme defined benefit surplus was £53k (2020-21: deficit of £23.8million) and the US scheme net pension asset of was £0.5million (2020-21: £0.3million).

The increases in the discount and inflation rate financial assumptions used in the IAS 19 valuation calculation for the UK scheme decreased the value of the liability that was shown in the prior year.

The last triennial actuarial valuation of the UK defined benefit scheme was as at 31 March 2020 and indicated a deficit of £1.1m. The advice received from the independent actuarial advisors was that investment returns are expected to be sufficient to cover future liabilities and that therefore there is no requirement to make additional contributions. The on-going funding position of the UK scheme is reviewed regularly.

In early 2022 a review of the US pension scheme was undertaken which included a triennial actuarial valuation as at 1 January 2022. This valuation indicated a surplus of £1.0m. The future of the US scheme will be determined from the review with any changes agreed during 2022-23.

Contributions of pension schemes and further information and disclosures as required by IAS 19 are detailed in note 22 of the financial statements.

Audit

The audit of the BTA's financial statements by the National Audit Office, (NAO), enables the Comptroller and Auditor General to fulfil his statutory duty under the Development of Tourism Act 1969, to lay before Parliament certified copies of the annual accounts and his report.

The fees paid to the NAO for audit services amount to £80,500 (2020-21: £80,000), and there are no other services provided by the NAO.

So far as the Accounting Officer is aware, there is no relevant audit information of which the BTA auditors are unaware. The Accounting Officer has taken all necessary steps to make herself aware of any relevant audit information and to establish that the BTA's auditors are aware of that information.

Supplier payments

As a signatory to the Confederation of British Industry (CBI) code of practice on supplier payment, our policies have incorporated the code, in addition to compliance with the regulations contained in the Late Payment of Commercial Debts (Interest) Act 1998. There were no claims for interest payment under the terms of this Act in this financial year. We pay our suppliers, wherever possible, to the agreed terms or within 10 days.

During 2021-22, 68% (2020-21: 71%) of suppliers' invoices not in dispute were settled within these parameters. Whilst 89% of invoices were paid within 30 days (2020-21: 90%).

Foreign exchange gains and losses

In 2021-22 Foreign Exchange losses arose of £17k (2020-21 loss of £207k). Losses reduced from prior year due to more effective hedging.

Patrina Yula

Patricia Yates Accounting Officer of the British Tourist Authority 07 July 2022

Remuneration and Staff Report

Remuneration Policy

Under the terms of the Development of Tourism Act 1969 and the Framework Agreement issued by the Department for Digital, Culture, Media and Sport (DCMS), staff conditions of service and its pay award scheme, must be approved by the DCMS. The arrangements for the Chief Executive are slightly different but the same principles apply.

During the year there was no consolidated pay award in line with 2021-22 Civil Service Pay Remit guidance. However, a non-consolidated performance-related payment of 3.6% of base salaries (prorata for anyone joining the organisation after 31 March 2021) was made with approval from DCMS to those staff in post in February 2022.

All staff employment contracts, including Directors, are open-ended rolling contracts; notice periods for staff are between one and six months. Termination payments are limited to the notice period unless redundancy is applied in which case a formula is used to calculate the amount of compensation (approximately equating to a lump sum compensation of one month's pay for each complete year of service). Fixed-term contracts are used to employ staff for short project-based assignments as appropriate.

Related party transactions

Details of all related party transactions are disclosed in note 23 of the financial statements. The Governance Statement contains links to the Register of Interests for Board and VisitEngland Advisory Board members as well as Executive Directors.

Fair pay disclosures (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. During 2021-22 the full-time equivalent banded remuneration of the highest-paid director was £185–£190k (£180–£185k in 2020-21). This was 4.3 times the median remuneration of the workforce (excluding the highest-paid director) which was £42,434 (4.4 times the median remuneration of £41,648 in 2020-21), and an increase of 1.8%. The multiple remained the same year on year as a result of no pay increase being awarded during the year due to the public sector pay freeze. In 2021-22 salary and allowances paid to the highest-paid director increased by 4.2% as a result of a bonus being awarded this year, whereas a bonus wasn't awarded in prior year. They did not receive an increase in salary.

In 2021-22 the average salary and allowances paid to employees as a whole (excluding the highestpaid director) increased by 5.4% from 2020-21 as a result of paying a bonus in 2021-22 whilst prior year there was no award. The pay and benefits of the employee on the 25th percentile of pay and benefits (£32,949) of the entity's employees (excluding the highest-paid director) for the financial year was 5.8, and the ratio of the employee on the 75th percentile (£61,809) was 3.1. In 2021-22, no other British Tourism Authority employees received remuneration in excess of the highest-paid director (2020-21, also none). Remuneration in the organisation, including the highest paid director, ranged from £10-15k to £185–£190k (£10–£15k to £180–£185k in 2020-21). Total remuneration includes salary and non-consolidated performance related pay. It does not include employer pension contributions and the cash equivalent transfer value (CETV) of pensions.

Board remuneration

Board members are appointed by DCMS and their terms range from a minimum of three years to a maximum of five years. The maximum term any BTA Board member can serve continuously is 10 years. The Terms of Appointment for current Board members are shown in the Governance Statement on pages 41 and 43. Board members are paid for 2 days per month while VisitEngland Advisory Board members are paid for 1.5 days per month. Travel and expense costs incurred during the performance of their board activities are reimbursed by the organisation.

	Su	Subject to audit		
	2021-22 £'000	2020-21 £'000		
Board				
Chair				
Steve Ridgway CBE <i>Term ended May 2020</i>	-	5-10		
Rt Hon. the Lord McLoughlin CH Resigned July 2021	10-15	30-35		
Dame Judith MacGregor DCMG LVO From August 2021	25-30	0-10		
Pension to former Chairs	10-15	10-15		
Members				
Rt Hon. the Viscount Thurso	-	-		
Nick de Bois	See VEAE	3 below		
Carol Hui	0-5	0-5		
Peter Gowers	0-5	0-5		
Karin Sheppard	0-5	0-5		
Robin Frewer	0-5	0-5		
Ian Edwards	0-5	0-5		
VEAB				
Nick de Bois (Chair)	15-20	15-20		
Fiona Pollard	0-5	5-10		
Allan Lambert	0-5	0-5		
Dr Andy Wood OBE	0-5	0-5		
Nadine Thomson	0-5	0-5		
Sarah Fowler	0-5	0-5		
Nigel Halkes Term ended January 2022	5-10	5-10		

Executive remuneration

Salary includes gross salary, performance pay and any other allowances to the extent that they are subject to UK taxation. In 2021-22 no employees including Directors received a consolidated pay award. In 2020-21 Directors received a 1.5% consolidated pay award.

Non-consolidated performance-related pay (Bonus) A non-consolidated performance-related payment of 3.6% of base salaries (pro-rata for anyone joining the organisation after 31 March 2021) was made in line with Civil Service Pay Remit guidance and our non-consolidated performance pay pot with approval from DCMS to those Directors in post in February 2022.

Benefits in kind covers any benefit provided by the employer and treated as a taxable payment.

Pension benefits are provided through two schemes for UK based staff. The value of pension benefits accrued during the year is calculated for Directors who were in the British Tourist Boards' Staff Pension and Life Assurance Scheme when it closed for future benefit accrual on 31 March 2020 as the real increase in pension multiplied by 20, plus the real increase in lump sum less contributions made by the individual. The second scheme is the Royal London defined contribution Pension Plan which was opened to staff on 1 April 2020.

Pension benefits are provided for the US-based Director in a hybrid defined benefit and defined contribution scheme. This scheme is non-contributory and members need three years of continuous service to accrue benefits.

There is no pension provision for Directors based outside of the UK and US.

					Subject to audit
	Salary	Bonus	Benefits in kind	Accrued Pension Benefits	Total Remuneration
	£'000	£'000	Nearest £100	£'000	£'000
		202	1-22		
Sally Balcombe	180-185	5-10	-	-	189
Patricia Yates	125-130	0-5	-	9	136
Robin Johnson	110-115	0-5	-	-	117
Gavin Landry	120-125	0-5	-	5	132
Debra Lang	115-120	0-5	-	-	124
Clare Mullin	120-125	0-5	-	-	130
Andrew Stokes	115-120	0-5	-	-	120
Tricia Warwick ¹	135-140	0-5	£18,900	-	161
Peter Mills <i>FTE Equivalent</i>	60-65 115-120	-	-	-	64 115-120
Tim Pemberton ² FTE Equivalent	5-10 100-105	-	-	-	9 100-105
Serena Jacobs FTE Equivalent	45-50 115-120	0-5	-	-	47 115-120
,		202	0-21		
Sally Balcombe	180-185	-	-	6	189
Patricia Yates	125-130	-	-	2	127
Robin Johnson	110-115	-	-	6	119
Gavin Landry	120-125	-	-	5	132
Debra Lang	115-120	-	-	-	119
Clare Mullin	120-125	-	-	2	127
Andrew Stokes	115-120	-	-	2	118
Tricia Warwick	145-150	-	£18,900	-	156
Peter Mills	115-120	-	-	-	119
Manual Alvarez ³ FTE Equivalent	30-35 110-115	-	-	-	30-35 110-115

Appointment dates of Directors are disclosed in the Governance Statement on page 45.

Notes:

¹ Benefits in kind of £18.9k paid to Tricia Warwick include transport, housing and medical allowances. The payment of some of these benefits is mandatory in the United Arab Emirates.

² Tim Pemberton was Interim Director of Finance between 1st October and 7th November 2021.

³ Manual Alvarez left in July 2020.

Pension benefits

Subject to audit					
	At retireme	nt age			
	Accrued pension as at 31/3/22	Real increase in pension at 31/3/22	CETV as at 31/3/22	CETV as at 31/3/21	Real increase in CETV
	£'000	£'000	£'000	£'000	£'000
Sally Balcombe	15-20	0-2.5	424	409	2
Patricia Yates	25-30	0-2.5	691	698	-
Robin Johnson	25-30	0-2.5	587	547	23
Clare Mullin	5-10	0-2.5	136	127	5
Andrew Stokes	5-10	0-2.5	189	181	2

Cash equivalent transfer value (CETV)

The cash equivalent transfer value is the lump sum the pension scheme will offer in exchange for giving up any future claims to a pension from the scheme.



Staff Report

Our people

Our aim is to attract and retain a quality workforce by investing in training, development and rewards. The focus is on putting staff first as they are one of the key success factors for high performing organisations and we committed to building a passionate and empowered team supported by an inclusive and fun community in our People Strategy which we launched in November 2020. This year we have continued our work to implement this programme which has four goals:

- Motivate our teams;
- Increase our supply of talent;
- Foster inspirational, confident and empowering leadership;
- Embed diversity and inclusion in everything we do.

We have created our first-ever network of change agents to help embed and facilitate organisational change. The change agents are volunteers drawn from all parts of the organisation. They have brought energy and enthusiasm to the implementation of the People Strategy and play a key role in communication, providing valuable insights into what matters to staff.

Hybrid working

As we emerged from the pandemic the Executive Directors were keen to ensure we took learnings from working remotely, to balance our need to find efficiencies with our estate utilisation, and create a way of working that would maintain productivity of our people whilst maintaining a sense of Company culture. Following extensive engagement, the executive agreed to rollout hybrid working and with our change agents. This was implemented globally across the Company in September 2021. We reviewed its operation in January 2022.

Diversity and inclusion (D&I)

Our aspiration is to embed D&I in everything we do, gaining diverse accreditations backed by action. We are working to eliminate discrimination, bullying and harassment and become a more inclusive employer that celebrates diversity.

The Diversity & Inclusion Action Group was formed to ensure that our mission to support and represent D&I across the organisation is prioritised and put into action. As part of this group, colleagues from around the world have formed networks to offer guidance, support and education on specific topics that impact our employees. Our networks are LGBTQIA+, Racial & Ethnic Equality, Disability & Accessibility, Fair Treatment, Gender Parity, Religion & Faith, Parents' Networking and Youth Engagement.

Our Wellbeing Champions created and promoted resources to mark World Mental Health Day and hosted a wellbeing day focussing on mental health. We launched a new employee assistance service, offering staff access to counselling, information and support for all types of work and personal issues as well as the confidential and independent whistleblowing hotline – SeeHearSpeakUp.

Mentoring

A small project group has been formed to progress a mentoring initiative which we aim to roll out during the first quarter of 2022-23.

Learning and Development

A number of learning and development initiatives were launched during year. These included the access to Civil Service Learning for all staff and a new induction programme with video introductions making it easier for new starters to learn about the organisation.

We also have LEAP our Learning Education & Achievement Platform where staff can find a range of learning and development resources. Staff are encouraged to take at least 5 days per year to spend on personal and professional development. Specific days, with no meetings, are set aside for this purpose. Each LEAP day focusses on a special theme and themes to date include hybrid working, emotional intelligence and positive meetings culture.

Staff engagement

The staff engagement survey was undertaken during the year. The employee engagement index for 2021 has remained level with 2020 and still slightly exceeds the Civil Service People Survey (CSPS) benchmark, although the gap has narrowed (67% compared to 66%).

Overall satisfaction across all areas of the survey saw an improvement compared to 2020, apart from Pay & Benefits. Organisation Structure, Wellbeing and Taking Action sections saw the largest improvements.

Compared to the CSPS benchmark satisfaction was in line or exceeded the benchmark. Although seeing improvements in some areas, certain areas within Leadership & Managing Change and My Work fell below the CSPS benchmark.

Employee plans for future remain broadly similar to what they were last year, with 60% looking to remain in the organisation for longer than one year, and around a third looking to stay for at least the next 3 years.

Open-box comments showed that employees believe that we excel most within areas of Mental health/wellbeing, Work/life balance as well as People & culture but believe we could improve Pay, Decision making and Communication.

	2021-22		2020-21			
	UK	Overseas	Total	UK	Overseas	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Wages and Salaries	8,580	4,644	13,224	9,858	4,786	14,644
Social security costs	961	742	1,703	1,012	703	1,715
Pension costs	1,097	97	1,194	2,170	95	2,265
Total permanent and fixed term staff	10,638	5,483	16,121	13,040	5,584	18,624
Agency Staff	258	138	396	138	180	318
Total Staff Costs	10,896	5,621	16,517	13,178	5,764	18,942

Staff Costs, Numbers and Composition (Subject to audit)

The average number of staff employed during the year was 258 (2020-21: 282) of which 193 (2020-21 197) were UK-based permanent staff with 13 full time equivalent (2020-21: 5) agency staff. As at 31 March 2022 the senior Executive team comprised 6 women and 3 men (2020-21: 5 women and 4 men). Women currently make up 71 % of our workforce (2020-21: 69%). Excluding directors there were 185 women and 75 men as at 31 March 2022 (2020-21: 193 women and 85 men).

Exit packages (Subject to audit)

Redundancy and other departure costs have been paid in accordance with our Premature Retirement and Redundancy Policy. Exit costs, (which include pension enhancement costs), are accounted for in full in the year of departure. Where early retirements are agreed the additional costs are met by BTA and not the British Tourist Board defined benefit Pension Scheme. No ex gratia payments were made.

Cost band	Number of compulsory redundancies	Number of other departures agreed	Total number of exit packages		
2021-22					
No exit packages					
2020-21					
<£10,000	4	-	4		
£10,000 - £25,000	4	-	4		
£25,000 - £50,000	3	-	3		
£50,000 - £100,000	1	-	1		
Value of exit packages	£281,000	-	£281,000		

Consultancy expenditure

There was £94,000 of consultancy expenditure for the year ending 31 March 2022 (2020-21: £87,000).

Off-payroll tax engagements

All contracts and contract renewals include a clause which allows us to obtain assurance that individuals are paying the correct amount of tax and national insurance contributions. The number of off-payroll engagements as at 31 March 2022 earning more than £245 per day is 13 (31 March 2021: 5). The required assurances and confirmations that the right amount of tax has been paid have been obtained for all off-payroll engagements. There were no (2020-21: 2) new engagements that latest longer than six months or who reached six months duration during 2021-22. In 2020-21 one of the new engagements was assessed as being outside IR35.

The table below shows the number and duration of off-payroll engagements as at 31 March.

	2022	2021
< one year	8	-
Between one and two years	-	3
Between two and three years	3	1
Between three and four years	1	-
> Four years	1	1

The number of off payroll-engagements outside of the UK was five (2020-21 three). All of the engagements longer than two years were outside of the UK where the considerations of IR35 UK tax and national insurance contributions are not applicable.

There has been an increase in off-payroll engagements in 2021-22 due to the transformation programme requiring short-term project resource as well as providing cover for business-critical vacancies, particularly in procurement.

There were fifteen (2020-21: 15) individuals deemed as Board members or with significant financial responsibility during the financial year, of which none (2020-21: None) were off-payroll engagements.

Trade union facility time

BTA recognises the Public and Commercial Services Union (PCS) as representing the interests of staff in official negotiations. During the year PCS was consulted on a range of issues, including contractual terms and conditions, organisational changes, pay and grading issues, and proposed future pension scheme changes. The PCS Union represents staff in grievance and disciplinary cases. BTA ensures that information is provided to employees in a timely manner and they are consulted on significant matters. This is achieved through the use of a range of communication channels including the staff Intranet (incorporating up-to-date news and information, as well as networking forums), staff surveys, regular presentations on initiatives and developments within the organisation and industry, as well as meetings with senior management.

During 2021-22 there were 4 full time equivalent employees who were union officials who all spent between 1% and 50% of their time on facility time at a cost of £33,693 or 0.2% of the total pay bill of £16.5m. 53% of total paid facility time hours was spent on paid trade union activities.

Sickness absence

The average sickness absence per full time employee in 2021-22 increased to 4.26 days from 2.91 days in 2020-21. COVID-19 was 17% of total sickness (2020-21: 15%). COVID-19 has contributed to additional sickness absence from workforce, this was furthered distorted by an increase in the number of long-term absence and resumption of hospital-related operations.

Staff turnover

Staff turnover levels in 2021-22 were 28%, compared to 27% in 2020-21.

Patrina Yula

Patricia Yates Accounting Officer of the British Tourist Authority 07 July 2022

STATEMENT OF ACCOUNTING OFFICER RESPONSIBILITIES

Under Section 6(1) of the Development of Tourism Act 1969, the Secretary of State for Digital, Culture, Media and Sport, with the consent of HM Treasury, has directed the British Tourist Authority 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 the British Tourist Authority and of its net expenditure, changes in taxpayers' equity 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 the Secretary of State for Digital, Culture, Media and Sport 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.
- Prepare the accounts on a going concern basis.

The Accounting Officer of the Department for Digital, Culture, Media and Sport has appointed me as the Accounting Officer of the British Tourist Authority. The responsibilities of 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 the BTA's assets, are set out in Managing Public Money published by the HM Treasury. As Accounting Officer, I confirm that the annual report and accounts as a whole is fair, balanced and understandable and that I take personal responsibility for the annual report and accounts and the judgments required for determining that it is fair, balanced and understandable.

Patrina Ydel

Patricia Yates Accounting Officer of the British Tourist Authority 07 July 2022

THE CERTIFICATE AND REPORT OF THE COMPTROLLER AND AUDITOR GENERAL TO THE HOUSES OF PARLIAMENT AND THE SCOTTISH PARLIAMENT

Opinion on financial statements

I certify that I have audited the financial statements of the British Tourist Authority for the year ended 31 March 2022 under the Development of Tourism Act 1969. The financial statements comprise the British Tourist Authority's:

- Statement of Financial Position as at 31 March 2022;
- Statement of Comprehensive Net Expenditure, Statement of Cash Flows and Statement of Changes in Taxpayers' Equity for the year then ended; and
- the related notes including the significant accounting policies.

The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and UK adopted International Accounting Standards.

In my opinion, the financial statements:

- give a true and fair view of the state of the British Tourist Authority's affairs as at 31 March 2022 and its total comprehensive income for the year then ended; and
- have been properly prepared in accordance with the Development of Tourism Act 1969 and Secretary of State 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 Parliament 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 (UK) (ISAs UK), applicable law and Practice Note 10 *Audit of Financial Statements of Public Sector Entities 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.

Those standards require me and my staff to comply with the Financial Reporting Council's *Revised Ethical Standard 2019.* I have also elected to apply the ethical standards relevant to listed entities. I am independent of the British Tourist Authority in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK. My staff and I have fulfilled our other ethical responsibilities in accordance with these requirements.

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

Conclusions relating to going concern

In auditing the financial statements, I have concluded that the British Tourist Authority'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 British Tourist Authority'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.

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

The going concern basis of accounting for the British Tourist Authority is adopted in consideration of the requirements set out in HM Treasury's 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.

Other Information

The other information comprises information included in the Annual Report, but does not include the financial statements nor my auditor's certificate and report. The Accounting Officer is responsible for the other information.

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.

In connection with my audit of the financial statements, 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 Secretary of State directions issued under the Development of Tourism Act 1969

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

- the parts of the Accountability Report subject to audit have been properly prepared in accordance with Secretary of State directions made under the Development of Tourism Act 1969; and
- the information given in the Performance and Accountability Reports for the financial year for which the financial statements are prepared is consistent with the financial statements and is in accordance with the applicable legal requirements.

Matters on which I report by exception

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

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

- I have not received all of the information and explanations I require for my audit; or
- adequate accounting records have not been kept by the British Tourist Authority or returns adequate for my audit have not been received from branches not visited by my staff; or

- the financial statements and the parts of the Accountability Report subject to audit are not in agreement with the accounting records and returns; or
- certain disclosures of remuneration specified by HM Treasury's Government Financial Reporting Manual have not been made or parts of the Remuneration and Staff Report to be audited is not in agreement with the accounting records and returns; or
- the Governance Statement does not reflect compliance with HM Treasury's guidance.

Responsibilities of the Accounting Officer for the financial statements

As explained more fully in the Statement of Accounting Officer's Responsibilities, the Accounting Officer is responsible for:

- maintaining proper accounting records;
- the preparation of the financial statements and Annual Report in accordance with the applicable financial reporting framework and for being satisfied that they give a true and fair view;
- ensuring that the Annual Report and accounts as a whole is fair, balanced and understandable;
- internal controls as the Accounting Officer determines is necessary to enable the preparation of financial statement to be free from material misstatement, whether due to fraud or error; and
- assessing the British Tourist Authority'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 the British Tourist Authority 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 Development of Tourism Act 1969.

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.

Extent to which the audit was considered capable of detecting non-compliance with laws and regulations including fraud

I design procedures in line with my responsibilities, outlined above, to detect material misstatements in respect of non-compliance with laws and regulations, including fraud. The extent to which my procedures are capable of detecting non-compliance with laws and regulations, including fraud is detailed below.

Identifying and assessing potential risks related to non-compliance with laws and regulations, including fraud

In identifying and assessing risks of material misstatement in respect of non-compliance with laws and regulations, including fraud, tax legislation and employment law, we considered the following:

- the nature of the sector, control environment and operational performance including the design of the British Tourist Authority's accounting policies.
- Inquiring of management, the British Tourist Authority's head of internal audit and those charged with governance, including obtaining and reviewing supporting documentation relating to the British Tourist Authority's policies and procedures relating to:
 - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; and
 - the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations including the British Tourist Authority's controls relating to the British Tourist Authority's compliance with Development of Tourism Act 1969 and Secretary of State directions issued thereunder, and Managing Public Money;
- discussing among the engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, I considered the opportunities and incentives that may exist within the British Tourist Authority for fraud and identified the greatest potential for fraud in the following areas: revenue recognition, posting of unusual journals, complex transactions and bias in management estimates. In common with all audits under ISAs (UK), I am also required to perform specific procedures to respond to the risk of management override of controls.

I also obtained an understanding of the British Tourist Authority's framework of authority as well as other legal and regulatory frameworks in which the British Tourist Authority operates, focusing on those laws and regulations that had a direct effect on material amounts and disclosures in the financial statements or that had a fundamental effect on the operations of the British Tourist Authority. The key laws and regulations I considered in this context included the Development of Tourism Act 1969 and Secretary of State directions issued thereunder and Managing Public Money.

Audit response to identified risk

As a result of performing the above, the procedures I implemented to respond to identified risks included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described above as having direct effect on the financial statements;
- enquiring of management, the Audit and Risk Committee concerning actual and potential litigation and claims;
- reading and reviewing minutes of meetings of those charged with governance and internal audit reports;
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements

made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

I also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

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

Other auditor's responsibilities

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

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Report

I have no observations to make on these financial statements.

Gareth Davies Comptroller and Auditor General National Audit Office 157-197 Buckingham Palace Road Victoria London SW1W 9SP

11 July 2022

Goathland Railway Station, North Yorkshire



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Statement of Comprehensive Net Expenditure

	Note	2022 £'000	2021 £'000
Revenue from contracts with customers Other income	5 6	4,055 630	820 1,631
Total Income	0	4,685	2,451
Staff costs Depreciation and amortisation	7 15 to17	(16,517) (875)	(18,624) (1,461)
Other operating costs Grants awarded Re-organisation costs	8 9 10	(33,103) (3,252) 	(16,708) (4,385) (281)
Total Expenditure		(53,747)	(41,459)
Net Expenditure before finance income	11	(49,062)	(39,008)
Finance income Finance expense Net Expenditure for the year	13 13	1 (459) (49,520)	10 (98) (39,096)
Decrease in liability on unfunded schemes Re-measurements of defined benefit pension obligations Other Comprehensive Income / (Expenditure)	22 22	11 24,569 24,580	2 (20,652) (20,650)
Total Comprehensive Net Expenditure for the year		(24,940)	(59,746)

All income and expenditure derived from continuing activities.

The Notes on pages 71 to 97 form part of these financial statements.

Statement of Financial Position

	Note	2022 £'000	2021 £'000
Assets			
Non-current assets			
Property, plant and equipment	15	250	470
Right of use assets	16	796	1,177
Intangible Assets	17	1,305	229
Investment in subsidiary	00	1	1
Net retirement benefit assets	22 _	520	-
Total non-current assets	-	2,872	1,877
Current assets			
Inventories	10	6,227	8,277
Trade and other receivables	18	1,434	1,294
Cash and cash equivalents	19 _	5,621	2,874
Total current assets	_	13,282	12,445
Total assets	_	16,154	14,322
Liabilities			
Current liabilities	20	(40.050)	(4, 700)
Trade and other payables Contract liabilities	20	(10,058)	(4,722)
Total current liabilities	-	(198) (10,256)	(234)
	-	(10,256)	(4,956 <u>)</u>
Total Assets less Current Liabilities	-	5,898	9,366
Non-current liabilities			
Trade and other payables	20	(422)	(807)
Provisions	21	(644)	(570)
Net retirement benefit liabilities	22	-	(23,610)
Total non-current liabilities	-	(1,066)	(24,987)
Total liabilities		(11,322)	(29,943)
Total Net Assets/(Liabilities)		4,832	(15,621)
Taxpayers' Equity			
Reserves	_	4,832	(15,621)

The financial statements were approved by the Board on 21 June 2022 and were signed on its behalf by:

Patrina Yula

Patricia Yates Accounting Officer of the British Tourist Authority 07 July 2022

The Notes on pages 71 to 97 form part of these financial statements.

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Statement of Cash Flows

	Note	2022 £'000	2021 £'000
Cash flows from operating activities			
Net expenditure for the year		(49,520)	(39,096)
Adjustments for:			
Depreciation and amortisation	15 to 17	875	1,461
Gain on termination of lease		-	(527)
Defined benefit pension cost	22	262	1,072
Net finance costs – UK & US pension scheme	22	444	52
Unrealised foreign exchange on US pensions scheme	22	(34)	47
Defined benefit employer pension contribution	22	(223)	(200)
Net lease interest paid		15	35
Cash flows from operating activities before		(48,181)	(37,156)
changes in working capital and provisions			
(Increase)/Decrease in trade and other receivables	18	(140)	1,122
Decrease in inventories		2,050	15
Increase/(Decrease) in trade and other payables	20	5,332	(5,481)
Decrease in contract assets		-	120
Decrease in contract liabilities		(36)	(87)
Increase in Provisions	21	74	408
Net cash flows from operating activities		(40,901)	(41,059)
Investing activities			
Purchases of Property, plant and equipment	15	(70)	(545)
Purchases of Intangible assets	16	(1,280)	(267)
Lease debtor adjusted on termination		-	787
Lease payments received from finance leases		-	54
Net cash (outflows)/inflows from investing activities		(1,350)	29
Financing activities			
Grant-in-Aid received from the DCMS		45,393	40,317
Payment of lease liabilities		(395)	(1,063)
Net cash flows from financing activities		44,998	39,254
Net increase in cash and cash equivalents		2,747	(1,776)
Cash and cash equivalents at 1 April		2,874	4,650
Cash and cash equivalents at 31 March		5,621	2,874

The Notes on pages 71 to 97 form part of these financial statements.

Statement of Changes in Taxpayers' Equity

	Income and Expenditure £'000	Pension Reserve £'000	Total Reserves £'000
Balance as at 1 April 2020	5,792	(1,984)	3,808
Comprehensive net expenditure for the year Reserves transfer Grant in Aid - Resource Grant in Aid - Capital	(39,096) 976 39,473 844	(20,650) (976) -	(59,746) - 39,473 844
Balance as at 31 March 2021	7,989	(23,610)	(15,621)
Comprehensive net expenditure for the year Reserves transfer Grant in Aid - Resource Grant in Aid - Capital	(49,520) 450 44,160 1,233	24,580 (450) -	(24,940) - 44,160 1,233
Balance as at 31 March 2022	4,312	520	4,832

The Notes on pages 71 to 97 form part of these financial statements.

NOTES TO THE ACCOUNTS

1. Accounting Policies

These financial statements have been prepared in accordance with the 2021-22 Government Financial Reporting Manual (FReM) issued by HM Treasury and the Accounts Direction issued by the Secretary of State for Digital, Culture, Media and Sport under the Development of Tourism Act 1969. The accounting policies contained in the FReM apply International Financial Reporting Standards (IFRS) as adapted or interpreted for the public sector. Where the FReM permits a choice of accounting policy, the accounting policy which is judged to be most appropriate to the particular circumstances of the British Tourist Authority (BTA), for the purpose of giving a true and fair view, has been selected. The particular accounting policies adopted by BTA are described below. They have been applied consistently in dealing with items that are considered material to the accounts, unless otherwise stated.

1.1. Basis of Preparation and Going Concern

These accounts have been prepared under the historical cost convention modified to account for the revaluation of property, plant and equipment and inventories.

The Board considers it appropriate to prepare the financial statements on a going concern basis and that the organisation can continue in operational existence for the foreseeable future as BTA has a Grant-in-Aid settlement agreed with the Department for Digital, Culture, Media and Sport (DCMS) to 31 March 2025 and there is not expected to be any change to the provision of services over this period.

1.2. Accounting Standards that have been issued but not adopted

There have been no standards, amendments to standards and interpretations that are material to BTA, effective from 1 April 2021 that have not been applied.

1.3. Revenue Recognition

All Grant-in-Aid received from our sponsoring body DCMS is treated as financing by crediting it to the income and expenditure reserve as required by the FReM.

Other revenue represents the fair value of consideration received or receivable for services provided and goods sold, net of discount and sales taxes.

Revenue from partnership marketing, media and publicity activities, and exhibitions, fairs and workshops Revenue is recognised at the point in time when the customer has obtained control of the goods sold. This is usually when the campaign or exhibition have been delivered in accordance with the contractual terms. Revenue from long term contractual arrangements is recognised over time based on the percentage of completion method. Exhibitions, fairs and workshops includes the delivery of services in connection with the provision and hosting of tourism related exhibitions and similar events, and presentation of tourism related workshops.

Revenue from commercial activities

Revenue from product sales of merchandise and ticketed entry to attractions or travel passes, primarily through an online retail shop, is recognised at the point in time when the customer has obtained control of the goods sold. This is usually when the products have been delivered or passes are available for download and used in accordance with the contractual terms.

The nature of BTA's relationships with its customers and suppliers vary depending on the terms of the product and services provided. Accordingly, the recognition of revenue is subject to those terms. Certain contracts establish an agency relationship whereby BTA does not control the goods or services that are sold to the customers. Instead, BTA may act as agent and accordingly, it will receive a commission and **71** British Tourist Authority 2021-22 Annual Report & Accounts NOTES TO THE ACCOUNTS

booking fee from the supplier for arranging the sale on its behalf. In such situations, BTA recognises revenue of the net amount of consideration, being the commission and booking fee to which it is entitled, in exchange for arranging passes for customers to enter or access attraction(s).

Revenue from the quality assessment schemes

Revenue from quality assessment schemes is derived from annual licensing fees of the VisitEngland brand by the scheme administrator, the Automobile Association (AA). Revenue is recognised at the point in time when the performance obligation is satisfied, including by granting the license to the customer.

Timing of performance obligations

The timing of revenue recognition, invoicing and cash collections and refunds results in trade receivables, deferred revenue (contract liabilities), and accrued revenue (contract assets) on the Statement of Financial Position.

Revenue from commercial activities are usually billed when the goods have been dispatched or attraction tickets issued in accordance with the contract and the customer has obtained control of the assets. Consequently, the lead time between revenue recognition and billing are usually minimal.

Revenue from exhibition, fairs and workshops are generally billed at registration for an event, while revenue is recognised when the service has been delivered which is usually when the event takes place, resulting in amounts received in advance (contract liability). Partnership marketing, media and publicity services are generally billed as work progresses in accordance with agreed-upon contractual terms, usually at agreed periodic intervals (e.g. monthly). Generally, invoicing occurs subsequent to revenue recognition, resulting in contract assets. BTA sometimes receive advance payments from customers on account, particularly for exhibitions, before goods or services are delivered and revenue is recognised, resulting in contract liabilities. These liabilities are reported on the Statement of Financial Position. All other goods and services are billed when the goods or services have been delivered in accordance with the contract and the customer has obtained control of the assets.

Refunds are provided in exceptional circumstances and only based on the merits of each case. Revenue on cancelled contracts is only recognised when it is certain that there is no further obligation to perform and the customer has no further claim.

1.4. Grants Awarded

The award of grants is carried out according to the Government Functional Standard GovS 15. Grant expenditure is charged to the Statement of Comprehensive Net Expenditure in the year in which the contractual commitment regarding the offer of the grant is made and in which funding for the grant is received from DCMS. In most circumstances this will be the same as the year in which the funded activities take place. However, in some cases grant expenditure is recognised in the accounts where the funded activity is due to take place in future years. Any amounts unpaid from grants at the year-end are shown in the Statement of Financial Position as creditors if they meet the definition of liabilities in IAS 37 in having a legal or constructive obligation to be paid.

1.5. Property, Plant and Equipment and Right of Use Assets

Items of property, plant and equipment and right of use assets are initially recognised at cost which includes the purchase price and any directly attributable costs.

Property, plant and equipment and right of use assets are subsequently carried at current value in existing use and are subject to revaluation under Modified Historic Cost Accounting (MHCA) when material. Changes in current value in existing use are recognised in the revaluation reserve. An appropriate transfer is made from the revaluation reserve to the income and expenditure reserve when property, plant and
equipment are expensed through the Statement of Comprehensive Net Expenditure (e.g. through depreciation, impairment or sale).

BTA has a policy of capitalisation of all property, plant and equipment over £1,000.

Depreciation

Depreciation or amortisation is provided on all items of property, plant and equipment and right of use assets to write off the carrying value of items evenly over their expected useful economic lives or to their estimated residual values. A full year charge is applied in the year of acquisition and no charge in made in the year of disposal except for leased assets. It is applied at the following rates:

Right of use assets – the lease term Improvement to leasehold land and building - the lease term Fixtures and fittings - six years Computer equipment - three years

1.6. Intangible Assets

In accordance with the FReM, all intangible assets are carried at current value in existing use. Intangibles assets held by BTA largely relate to software licences. Depreciated historical cost is used as a proxy for fair value on short life or low value items; this is considered to not be materially different from fair value.

Intangible assets are amortised on a straight-line basis over the expected useful life of the assets. This does not exceed three years and is recognised through the Statement of Comprehensive Net Expenditure.

Development expenditure not satisfying capitalisation criteria, and expenditure on the research phase of internal projects are recognised in the Statement of Comprehensive Net Expenditure as incurred.

1.7. Inventories

Inventories consist of transport and attraction tickets, publications and maps/guides. Inventories are initially recognised at cost, and subsequently measured at the lower of cost and net realisable value. Net realisable value is estimated selling price in the ordinary course of business less further expected costs to be incurred to completion and estimated costs necessary to make the sale. Costs incurred in producing publications and promotional items for which no revenue is obtained are charged to the Statement of Comprehensive Net Expenditure in the year in which they are incurred.

1.8. Financial Assets

The recognition and measurement of financial instruments complies with IFRS 9 'Financial Instruments' in so far as it applies to BTA.

Financial assets at fair value through profit and loss are only in-the-money derivatives. They are carried in the Statement of Financial Position at fair value with changes in fair value recognised in the Statement of Comprehensive Net Expenditure within 'Other operating costs'.

Financial assets at amortised cost comprise trade and other receivables and cash and cash equivalents. They arise principally through the provision of goods and services to customers and are recognised at fair value plus transaction costs that are directly attributable to their acquisition or issue, which equates to the invoiced amount, and subsequently carried at amortised cost using the effective interest rate method.

Trade receivables are non-interest bearing and are stated at original invoiced amount less an appropriate allowance for expected credit losses where applicable. At each reporting date, the loss allowance is measured at an amount equal to the lifetime expected credit losses. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past

due. The expected loss rates are based on the payment profiles of trade receivables over a period of 12 months before 31 March 2021 and the corresponding historical credit losses experienced within this period. Trade receivables are written off when there is no reasonable expectation of recovery. A default on a trade receivable occurs when the debtor fails to make contractual payments when they fall due.

Cash and cash equivalents comprise cash at bank and in hand and short-term deposits which usually have an original maturity of three months or less.

1.9. Financial Liabilities

Financial liabilities measured at amortised cost and include trade payables and other short-term monetary liabilities, which are recognised at fair value and subsequently carried at amortised cost using the effective interest rate method.

Financial liabilities measured at fair value through profit and loss are only out of the money derivatives. They are carried in the Statement of Financial Position at fair value with changes in fair value recognised in the Statement of Comprehensive Net Expenditure in 'Other operating costs'.

1.10. Provisions

Provisions are made when a current obligation exists for a future liability in respect of a past event and where the amount of the obligation can be reliably estimated and includes dilapidation provisions.

Restructuring provisions are made for direct expenditure of a business reorganisation where the plans are sufficiently detailed and well advanced, approved by the Board and where appropriate communication to those affected has been undertaken by the Statement of Financial Position date.

1.11. Impairment of Non-financial Assets

Non-financial assets, excluding Inventories, Investment Properties and Deferred Tax Assets, are subject to impairment tests whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. Where the carrying value of an asset exceeds its recoverable amount (i.e. the higher of value in use and fair value less costs to sell), the asset is written down accordingly. Where it is not possible to estimate the recoverable amount of an individual asset, the impairment test is carried out on the asset's cash-generating unit (i.e. the lowest group of assets in which the asset belongs for which there are separately identifiable cash flows).

Impairment charges are included in 'Other operating costs' in the Statement of Comprehensive Net Expenditure, except to the extent they reverse gains previously recognised, in which case they are debited to the revaluation reserve.

Impairment provisions are recognised when there is objective evidence, (such as significant financial difficulties on the part of the counterparty or default or significant delay in payment), that BTA will be unable to collect all of the amounts due under the terms of the receivable. The amount of such a provision being the difference between the net carrying amount and the present value of the future expected cash flows associated with the impaired receivable. For trade receivables, which are reported net, such provisions are recorded in a separate allowance account with the loss being recognised within administrative expenses in the Statement of Comprehensive Net Expenditure. On confirmation that the trade receivable will not be collectable, the gross carrying value of the asset is written off against the associated provision.

1.12. Leases

BTA has elected not to recognise right-of-use assets for short term or low value items.

When BTA acts as a lessor, it determines at lease inception whether each lease is a finance or operating lease. Each lease is assessed to determine whether or not it transfers all of the risks and rewards of

ownership of the underlying asset. If it does it's a finance lease and if it does not, it is an operating lease. When BTA is the intermediate lessor it accounts for its interest in the head lease and the sub lease separately.

The lease liability or debtor is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or if that cannot be readily determined, the rate provided by HMT. Lease payments are measured at amortised cost using the effective interest method and remeasured when there is a change in future lease payments arising from a change in the index or rate. Where a lease liability is remeasured, a corresponding adjustment is made to the right of use asset. Lease liabilities and lease debtors are included within Trade and other payables on the Statement of Financial Position.

IFRS 16 requires the right-of-use asset, and the lease liability, to be initially measured at the present value of unavoidable future lease payments. The following payments are included in the initial measurement of the right-of-use asset and lease liability:

- fixed payments (including in-substance fixed payments)
- variable lease payments that depend on an index or a rate (for example, payments linked to a consumer price index or market rental rates)
- amounts expected to be payable by the lessee under residual value guarantees
- the exercise price of a purchase option if the lessee is reasonably certain to exercise that option
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising a termination option.

1.13. Translation of Foreign Currencies

Foreign currency transactions arising from normal trading activities are recorded at the rates in effect at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the yearend are translated at the year-end exchange rate. Foreign currency gains and losses are credited or charged to the Statement of Comprehensive Net Expenditure as they arise.

Exchange differences arising on the retranslation of unsettled monetary assets and liabilities are recognised immediately in the Statement of Comprehensive Net Expenditure.

1.14. Value Added Tax (VAT)

UK VAT

BTA is subject to partial restriction on the recoverability of VAT on inputs calculated in accordance with a formula agreed with HM Revenue and Customs. The amount of irrecoverable VAT is charged to the Statement of Comprehensive Net Expenditure in the year to which it relates.

Overseas VAT

In countries where BTA is not registered for VAT and does not recover VAT the costs of activities are charged gross, inclusive of VAT, to the Statement of Comprehensive Net Expenditure. In countries where BTA recovers VAT, either fully or partially, the treatment of irrecoverable VAT is the same as for UK VAT.

1.15. Retirement Benefits

Employee benefits, including pensions and other post-retirement benefits are presented in these financial statements in accordance with IAS 19 'Employee Benefits'. BTA has both defined benefit and defined contribution plans.

Defined Contribution Plan

Contributions to defined contribution pension schemes are charged to the Statement of Comprehensive Net Expenditure in the year to which they relate.

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Defined Benefits Scheme

A defined benefit plans is an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation.

Defined benefit scheme surpluses and deficits are measured at fair value of plan assets at the reporting date; less plan liabilities calculated using the projected unit credit method discounted to its present value using yields available on high quality corporate bonds that have maturity dates approximating to the terms of the liabilities; plus, unrecognised past service costs; less the effect of minimum funding requirements agreed with scheme trustees.

Re-measurements of the net defined obligation/asset are recognised directly within Equity through Other Comprehensive Expenditure in the period in which they arise. The re-measurements include actuarial gains and losses, return on plan assets (interest exclusive) and any asset ceiling effects (interest exclusive).

Service costs are recognised in the Statement of Comprehensive Net Expenditure, within Staff costs, and include current and past service costs as well as gains and losses on curtailments.

Net interest expense or income, is recognised in the Statement of Comprehensive Net Expenditure, and is calculated by applying the discount rate used to measure the defined benefit obligation or asset, at the beginning of the annual period to the balance of the net defined benefit obligation, considering the effects of contributions and benefit payments during the period. The assets are shown within finance costs or finance income as appropriate.

Gains or losses arising from changes to scheme benefits or scheme curtailment are recognised immediately in the Statement of Comprehensive Net Expenditure.

Settlements of defined benefit schemes are recognised in the period in which the settlement occurs.

Recognition of any surplus in the defined benefit schemes is limited based on the economic gain the BTA is expected to benefit from in the future by means of a refund or reduction in future contributions to the plan, in accordance with IAS 19.

Contributions are made to the British Tourist Boards' Staff Pensions and Life Assurance Scheme (see Note 27) in accordance with the advice of independent actuaries and are charged to the Statement of Comprehensive Net Expenditure in the year to which they relate. Overseas pension schemes are treated similarly.

1.16. Standards, Amendments and Interpretations to Existing Standards not yet Effective

The application of any new or amended accounting standards is governed by their adoption by the FReM. Usually such changes are not put into effect by the FReM until the effective date of the related IFRS, although occasionally some changes are adopted early or may be delayed. The following standards have been published but are not effective for the periods presented and/or BTA has chosen not to adopt:

- COVID-19 Related Rent Concessions amendment to IFRS 16 (from 01 June 2020)
- Interest Rate Benchmark Reform amendments to IFRS 9, IAS 39 and IFRS 7 (from 01 January 2021)
- Insurance Contracts amendments to IFRS 17 (from 01 January 2023)

These standards are unlikely to have a material impact on the Financial Statements.

2. Significant Accounting Estimates and Judgements

BTA makes certain estimates and assumptions regarding the future. Estimates and judgements are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

2.1. Inventories

The net realisable value of, and demand for, inventories are reviewed on a regular basis and particularly at the year end to provide assurance that it is stated at the lower of cost and net realisable value. Factors that could impact estimated demand and selling prices include the timing and success of innovations, competitor activities, supplier prices and economic trends.

2.2. Defined Benefit Pensions

The costs, assets and liabilities of the defined benefit schemes operated by BTA are determined using methods relying on actuarial estimates and assumptions. Details of the key assumptions are set out in Note 27. BTA takes advice from independent actuaries relating to the appropriateness of the assumptions. Changes in the assumptions used may have a significant effect on the Statement of Comprehensive Net Expenditure and the Statement of Financial Position.

2.3. Revenue recognition

For revenue recognised over time, the measure of progress towards complete satisfaction of the performance obligation requires judgement and is based on the period that the BTA expects the services to be provided. BTA uses a percentage of completion method because it best depicts the transfer of services to the customer which occurs as we perform our obligations.

For commercial activities the amount of revenue to be recognised is dependent on whether BTA acts as agent or principal in relation to the contract with the customer. To determine whether it acts as principal or an agent, BTA identifies the specified good or service to be provided to the customer and assess whether it controls the good or service before that good or service is transferred to the customer. These determinations often require judgement to assess the nature of BTA's relationship with the customer.

3. Financial Instruments and Risk Management

The principal financial instruments are:

- Trade and other receivables
- Finance lease receivables
- Cash and cash equivalents
- Trade and other payables
- Finance lease payables

The following table shows financial instruments by category:

	2022			2021			
	Held at Amortised cost	Held at fair value through profit & loss	Total	Held at Amortised cost	Held at fair value through profit & loss	Total	
	£'000	£'000	£'000	£'000	£'000	£'000	
Financial assets							
Trade receivables	395	-	395	679	-	679	
Cash and cash equivalents	5,621	-	5,621	2,874	-	2,874	
	6,016	-	6,016	3,553	-	3,553	
Financial liabilities							
Trade and other payables	9,353	-	9,353	3,601	-	3,601	
Lease payables	807	-	807	1,187	-	1,187	
	10,160	-	10,160	4,788	-	4,788	

There is no material difference between the net carrying amounts and the fair values, and consequently no amortisation of interest on these financial instrument classes due to their short-term nature.

BTA's overall risk management programme seeks to minimise potential adverse effects on BTA's financial performance. BTA is exposed through its operations to the following risks:

- Credit risk
- Liquidity risk
- Market risk

There have been no substantive changes in BTA's exposure to financial instrument risks and consequently the objectives, policies and processes are unchanged from the previous period.

Credit Risk

BTA is primarily exposed to credit risk of £124k (2020-21: £356k) of trade receivables (See note 19) which are spread over a range of customers and countries. The majority of customers are based in the United Kingdom. BTA has recovered more than 99% of trade receivables over the last 2 years. It is group policy, implemented locally, to assess the credit risk of each new customer before entering into binding contracts. Each customer account is then reviewed on an on-going basis, (at least once a year), based on available information and payment history. Quantitative disclosure of the credit risk exposure in relation to trade and other receivables is given in Note 18.

Credit risk also arises from cash and cash equivalents and deposits with banks and financial institutions. BTA's main banking arrangements are with National Westminster Bank. Amounts held by overseas operations with banks are kept to a minimum. BTA does not enter into derivatives to manage credit risk.

Liquidity Risk

The cash requirements of BTA are met mainly through Grant-in-Aid from DCMS. Following the Government's objectives, BTA seeks to ensure that optimum use is made of all resources during the financial year and so far, as is consistent with its objectives, seeks to maximise non-exchequer resources generally through close working partnerships with the private sector and commercial activities. As a result, BTA is not exposed to significant liquidity risk.

Market Risk

Market risk arises from BTA's interest bearing, tradable and foreign currency financial instruments. It is the risk that the fair value, or future cash flows, of a financial instrument will fluctuate because of changes in interest rates, (interest rate risk), or foreign currency exchange rates, (foreign currency risk).

Interest Rate Risk

BTA is exposed to interest rate risk through its financial assets and liabilities. These financial assets and liabilities

carry no or nominal interest, thus BTA considers its exposure to interest rate risk not to be significant. Bank balances are placed on overnight deposit at current bank deposit rates.

The group has no long-term borrowings. BTA is not permitted to take out mortgages or other forms of borrowing without explicit government guarantee and should gain DCMS's agreement to any commitment, including borrowing. Any expenditure financed by borrowings without explicit consent from the sponsoring department and HM Treasury would be considered irregular.

Foreign Currency Risk

Foreign exchange transaction risk arises when individual operations enter into transactions denominated in a currency other than their functional currency.

BTA has a foreign currency policy which is reviewed regularly and report on currency purchases and the outstanding position to Audit and Risk Committee. Where possible BTA will settle liabilities denominated in their functional currency with the cash generated from their commercial operations in that currency. Where considered appropriate, foreign currency exchange forward contracts are used to control the risk of foreign currency fluctuations. At 31 March 2022 and 2021 there were no open foreign currency exchange forward contract commitments.

4. Segment Information

BTA has reviewed and revised it reportable segments to better reflect the structure and working of the organisation. The segment information has been restated from seven segments in 2021-21 to into the four segments described below:

- Global Network: Delivering a global network to support tourism promotion overseas, providing an
 overseas office network for all the national and regional tourist boards and for the tourism industry.
 By sharing market intelligence, customer insights, local contacts and operational and execution
 capabilities, VisitBritain helps its UK partners reach overseas customers and together create
 substantial efficiency savings.
- *Retail and Commercial:* Maximise public investment through commercial activity. has responsibility for partnership activities, product development and distribution and organising events and missions as well as trade support.
- *England:* has responsibility for accommodation standards and visitor attraction grading schemes and provides advice and business support with the overall aim of improving the quality of tourism provision in England.
- UK Marketing and Support Services: International and Domestic marketing activities with the core
 objective of 'inspiring travellers from overseas, and from UK, to visit and explore Britain' and
 England; Engaging industry and Government in support of its growth of the tourism industry;
 delivering the programme of activity to deliver the national tourism strategy and facilitate sector
 growth; and the business and administration services across VisitBritain and VisitEngland.

Measurement of operating segment income and expenditure, assets and liabilities

The accounting policies of the operating segments are the same as those described in the summary of significant accounting policies. BTA evaluates performance on the basis of the net expenditure i.e. excluding the effects of finance income and notional costs. There are no inter-segment revenue streams.

Due to the nature of VisitBritain and VisitEngland's business, assets and liabilities are not managed on a sector basis and consequently no allocation of assets and liabilities are made to individual operating segments nor to geographical regions.

		2021-22			
	Global Network	England	Retail & Commercial	UK Marketing and Support Services	Total
	£'000	£'000	£'000	£'000	£'000
Income					
Revenue from contracts with customers		249	3,373	433	4,055
Other income	38		364	228	630
Total Income	38	249	3,737	661	4,685
Expenditure					
Deficit for the year Net finance costs Depreciation and amortisation	(6,497)	(4,696)	(3,085)	(33,908) (458) (875)	(48,186) (458) (875)
Total Expenditure	(6,497)	(4,696)	(3,085)	(35,241)	(49,519)

		2020-21			
	Global Network	England	Retail & Commercial	UK Marketing and Support Services	Total
	£'000	£'000	£'000	£'000	£'000
Income Revenue from contracts with customers		(56)	856	20	820
Other income	73		92	1,466	1,631
Total income	73	(56)	948	1,486	2,451
Expenditure Deficit for the year Net finance costs Depreciation and amortisation	(6,602)	(6,515)	(1,411)	(21,947) (88) (1,461)	(36,475) (88) (1,461)
Pension costs Total Expenditure	(6,602)	(6,515)	(1,411)	(1,072) (24,568)	(1,072) (39,096)

Revenue by Region	2021-22	2020-21
	£'000	£'000
United Kingdom	4,260	1,858
Europe	198	478
Americas	203	70
Rest of the world	24	45
	4,685	2,451

5. Revenue from contracts with customers

BTA disaggregates revenue from contracts with customers by nature of services sold, geographical location and timing of revenue for each of its segments, as it best depicts how the nature, amount, timing and uncertainty of revenue and cash flows are affected by economic factors.

2021-22	Commercial	England	Marketing	Retail	Strategy & Comms	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Partnership marketing, media & publicity	-	52	290	-	-	342
Exhibition, fairs & workshops	5	-	35	-	94	134
Commercial activities	-	15	-	3,373	9	3,397
Quality scheme revenue	-	182	-	-	-	182
	5	249	325	3,373	103	4,055
Primary geographical markets	5					
United Kingdom	-	249	40	3,276	103	3,668
Europe	5	-	191	2	-	198
Americas	-	-	84	81	-	165
Asia Pacific	-	-	-	14	-	14
Rest of the World	-	-	10		-	10
-	5	249	325	3,373	103	4,055
Timing of revenue recognition	1					
Goods transferred at a point in time	5	197	46	3,373	103	3,724
Services transferred over time	-	52	279	-	-	331
-	5	249	325	3,373	103	4,055

2020/21	Commercial	England	Marketing	Retail	Strategy & Comms	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Partnership marketing, media & publicity	4	38	-	-	-	42
Exhibition, fairs & workshops	14	-	-	-	32	46
Commercial activities	-	4	-	838	(12)	830
Quality scheme revenue	-	(98)	-	-	-	(98)
-	18	(56)	-	838	20	820
Primary geographical markets	3					
United Kingdom	-	(56)	-	244	20	208
Europe	19	-	-	479	-	498
Americas	(1)	-	-	70	-	69
Asia Pacific	-	-	-	45	-	45
	18	(56)	-	838	20	820
Timing of revenue recognitior	1					
Goods transferred at a point in time	14	(94)	-	838	20	778
Services transferred over time	4	38	-	-	-	42
	18	(56)	-	838	20	820

6. Other Income

	2022	2021
	£'000	£'000
Other grants	115	88
Camelot contribution	260	-
Office rental income	19	19
Other income	236	1,524
Total other operating income	630	1,631

Other grants include a s.106 grant from North York Moors.

Camelot contribution is for costs related to the National Lottery Days Out voucher scheme

Office rental income from London & Partners, Visit Wales and Marketing Manchester in the USA and China. For the year ended 31 March 2022, the total rental income from the sub-let of properties was £19k (2020-21: £19k).

In 2020-21 Other income included £1.3m relating to the settlement of an office lease.

7. Staff costs

The detail of staff costs and numbers can be found in the remuneration report on page 57.

8. Other Operating Costs

	2022 £'000	2021 £'000
Partnership marketing, media & publicity costs	19,356	7,305
Publishing	491	279
Commercial cost of sales and overhead cost*	4,269	778
Quality Scheme costs	9	327
Distribution costs	3	-
Research and evaluation	1,857	1,651
Property and support costs – overseas	1,461	1,168
Property and support costs – UK	1,972	2,565
VisitEngland Board secretariat operation costs	1	2
Irrecoverable VAT (UK and overseas)	3,716	1,948
Provisions	28	409
Prior year accruals adjustment	(77)	21
Foreign exchange loss	17	255
Total other operating costs	33,103	16,708

* Certain commercial cost of sales is presented net of related revenue under IFRS 15.

9. Grants Awarded

	2022	2021
	£'000	£'000
General grants relating to Regional Tourism entities	3,258	437
Discover England grants relating to Destination entities	(6)	3,948
Total grants	3,252	4,385

10. Reorganisation Costs

	2022 £'000	2021 £'000
Staff redundancy costs	-	281

Staff redundancy costs include exit packages and other related costs. Details of exit packages are contained in the Remuneration Report on page 58.

11. Net Expenditure before Finance income / (expense)

	2022 £'000	2021 £'000
Net expenditure before finance cost	(49,062)	(39,008)
After charging:		
VisitBritain Board Members' remuneration	72	67
VisitEngland Board Members' remuneration	40	42
Auditors' remuneration*	81	80
Variable lease payments not included in measurement of lease liabilities for Land and buildings	814	725
Travel, subsistence and hospitality:		
Chair and Board Members (VisitBritain)	2	1
Chair and Board Members (VisitEngland)	1	2
Employees	18	49
Depreciation (note 15)	290	392
Right of use assets depreciation (note 16)	381	842
Amortisation (note 17)	204	227

*The external audit fee includes £81k (2020-21: £80k) in respect of external audit services performed by the National Audit Office. It does not include any fees for non-audit work as no such work was undertaken during the year.

12. Overseas and Domestic Activities

The following table reports total expenditure split between international and domestic marketing activities as per the Statement of Comprehensive Net Expenditure:

2021-22				
Staff costs (note 7)	13,266	3,173	78	16,517
Project costs*	17,288	9,475	38	26,801
Operational costs**	7,332	3,078	19	10,429
Gross expenditure	37,886	15,726	135	53,747
Less:				
Other grant income	-	115	-	115
Non-Government Funding (note 5 and 6)	4,262	308	-	4,570
Net finance cost (note 13)	(458)	-	-	(458)
Net expenditure	34,081	15,303	135	49,520

2020-21	Britain International	England Domestic	England International	Total
	£'000	£'000	£'000	£'000
Staff costs (note 7)	14,567	4,057	-	18,624
Reorganisation costs (note 10)	281	-	-	281
Project costs*	3,604	9,560	5	13,169
Operational costs**	6,979	2,395	11	9,385
Gross expenditure	25,431	16,012	16	41,459
Less: -				
Other grant income	-	88	-	88
Non-Government Funding (note 5 and 6)	2,406	(43)	-	2,363
Net finance cost (note 13)	(88)	-	-	(88)
Net expenditure	23,113	15,967	16	39,096

* Project costs include marketing, commercial cost of sales and research (notes 8 and 9). **Operational costs relate to overhead costs, depreciation and amortisation (notes 8 and15-17),

The allocation of expenditure between international and domestic activity is made as follows:

1. Expenditure undertaken directly for international or domestic activity is allocated directly;

2. Expenditure that is a shared resource for economic or control reasons is allocated using various ratios that recognise the underlying impact. The criteria used for such allocation includes; time, space or allocation recognising use of corporate resources;

3. It is not possible to split capital expenditure between domestic and international activity as the fixed assets are shared between all areas.

13. Finance income and expense

	2022 £'000	2021 £'000
Finance Income		
Interest on lease receivables	-	9
Interest received on bank deposits	1	1
Total Finance income	1	10
Finance expense:		
Interest on lease liabilities	(15)	(46)
Net interest cost on UK & US pension schemes (note 22)	(444)	(52)
Total finance expense	(459)	(98)
Net finance expense	(458)	(88)

14. Tax Expense

BTA is assessed for Corporation Tax in the UK on its activities, excluding those funded by Grant-in-Aid. Unused taxable losses carried forward to 2021-22 amount to £94.6m (2020/21: £121.9m) and the estimated taxable losses for 2021-22 are approximately £28m.

BTA is assessed for corporate tax in Germany and India and in both of these countries there is no corporate tax due.

15. Property, Plant and Equipment

	Leasehold improvements	IT equipment	Fixtures fittings & equipment	Total
	£'000	£'000	£'000	£'000
Cost or valuation:				
At 1 April 2020	17	1,574	179	1,770
Additions	-	545	-	545
At 31 March 2021	17	2,119	179	2,315
Additions	-	70	-	70
At 31 March 2022	17	2,189	179	2,385
Accumulated depreciation:				
At 1 April 2020	17	1,326	110	1,453
Charge for the year	-	362	30	392
At 31 March 2021	17	1,688	140	1,845
Charge for the year	-	274	16	290
At 31 March 2022	17	1,962	156	2,135

Net carrying value

At 31 March 2021	-	431	39	470
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Improvements to leasehold land and buildings, motor vehicles, computer equipment, fixtures, fittings and equipment are carried at fair value and are subject to revaluation under Modified Historic Cost Accounting. Indexation is considered to be insignificant, accordingly no adjustment has been recognised in this regard. **86** British Tourist Authority 2021-22 Annual Report & Accounts NOTES TO THE ACCOUNTS

Capital Commitment

As at 31 March 2022, BTA had no contractual commitment to purchase property, plant and equipment.

16. Right of Use Assets

	Leasehold £'000
21Cost or valuation	2 000
At 1 April 2020	1,367
Additions	-
At 31 March 2021	1,367
Additions	-
At 31 March 2022	1,367
Accumulated amortisation	
At 1 April 2020	658
Charge for the year	842
Disposals	(1,310)
At 31 March 2021	190
Charge for the year	381
Disposals	-
At 31 March 2022	571
Net carrying value	
At 31 March 2021	1,177
At 31 March 2022	796

British Tourism Authority has a lease at 3 Grosvenor Gardens, Victoria whose term finishes in May 2024. In the prior year, BTA left a Government Property Agency (GPA) rental property at 151, Buckingham Palace Road, Victoria. The lease liability is shown in note 20 Trade and Other payables.

17. Intangible Assets

	Computer software £'000
Cost or valuation	1 062
At 1 April 2020 Additions	1,063 267
At 31 March 2021	1,330
Additions	1,280
At 31 March 2022	2,610
Accumulated amortisation	
At 1 April 2020	874
Charge for the year	227
At 31 March 2021	1,101
Charge for the year	204
At 31 March 2022	1,305
Net carrying value	
At 31 March 2021	229
At 31 March 2022	1,305

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18. Trade and Other Receivables

	2022	2021
	£'000	£'000
Amounts due within one year:		
Trade receivables	128	363
Less: provision for impairment of trade receivables	(4)	(7)
Net Trade receivables	124	356
VAT receivables	48	110
Other receivables	271	323
Prepayments	986	500
HM Government – Section 4 grants recoverable	5	5
Total Trade and other receivables	1,434	1,294

There is no material difference between the net carrying amounts and the fair values of trade and other receivables due to their short-term nature (see Credit Risk note 3). The provision for impairment is analysed as follows:

	2022	2021
	£'000	£'000
At 1 April	7	10
Income and Expenditure statement release	(3)	-
Provision utilised	-	(3)
At 31 March	4	7

The creation and release of the provision for impaired receivables has been included in the Statement of Comprehensive Net Expenditure under other operating charges. BTA does not hold any collateral as security. As at 31st March 2022 trade receivables of £3.5k (2020/21: £1k) were past due and were impaired. £124k was up to 90 days outstanding (2020-21: £1k) and £nil over 90 days (2020-21: £nil) outstanding.

Trade and other receivables are denominated in the following currencies:

	2022	2021
	£'000	£'000
Pound sterling	1,062	914
US dollar	27	57
Euro	149	133
Other	196	190
	1,434	1,294

19. Cash and cash equivalents

	2022	2021
	£'000	£'000
At 1 April	2,874	4,650
Movement	2,747	(1,776)
At 31 March	5,621	2,874

All cash in bank balances are held in commercial bank accounts.

20. Trade and Other Payables

	2022	2021
	£'000	£'000
Amounts due within one year:		
Trade payables	4,288	1,424
Other taxes and social security taxes	315	736
Other payables	304	150
Finance lease payables	385	380
Accruals	4,761	2,027
HM Government – Section 4 grants payable	5	5
	10,058	4,722
Amounts due after more than one year:		
Finance lease payables	422	807
Total trade and other payables	10,480	5,529

There is no material difference between the net carrying amounts and the fair values of trade and other payables due to their short-term nature. Maturity analysis of financial liabilities measured at amortised cost is as follows:

	2022	2021
	£'000	£'000
Up to 30 days	6,926	930
30 to 90 days	2,341	389
Over 90 days	1,213	3,469
*Taxes and grants are excluded	10,480	*4,788

Trade and other payables are denominated in the following currencies:

	2022	2021
	£'000	£'000
Pound sterling	6,727	5,109
Euro	3,644	204
US dollar	1	2
Other	108	214
	10,480	5,529

21. Provisions

	2022	2021
	£'000	£'000
At 1 April	(570)	(162)
Provided in year	(74)	(408)
At 31 March	(644)	(570)

Provisions include:

- £412k for dilapidations at the London office, 3 Grosvenor Gardens
- £182k or end of service employee entitlements in UAE
- £50k for potential legal costs

22. Retirement Benefits

BTA operates two post-employment defined benefit schemes for its employees, one in the United Kingdom and the other in the USA, and defined contribution schemes in other parts of the world. BTA also operates a defined contribution scheme for employees who started employment after 1 April 2017. BTA is a participant in the British Tourist Boards' Staff Pension and Life Assurance Scheme (BTBSPLAS) providing pension benefits and life assurance for UK permanent staff employed on or before 31 March 2020, based upon final pensionable pay. BTA employees in the USA employed on a local status basis can join the USA hybrid scheme.

Total amounts of employers' contributions to pension schemes were:

	2022	2021
	£'000	£'000
Admin cost contribution	223	-
Pension deficit recovery contribution	-	200
Total pension contribution to the BTBSPLAS	223	200
Pension deficit recovery contribution accrued	-	8
UK defined contribution scheme	1,061	1,131
Overseas pension schemes	50	55
Total Pension contribution	1,334	1,394

BTA also has additional pension liability of £107k (2020-21: £118k) for pension payments to ex-chairs which are unfunded and are included within the retirement benefit liabilities in the Statement of Financial Position.

BTBSPLAS Defined Benefit Scheme

This scheme is a multi-employer defined benefit scheme including other Tourist Boards. The scheme was sectionalised in 2019, so each participating employer now has its own section with assets and liabilities allocated accordingly and with a guarantee provided by the relevant sponsoring government. The BTA section of the scheme was closed to future benefit accrual on 31st March 2020. In accordance with IAS 19, BTA's share of the assets and liabilities have been identified and are reflected in the accounts.

The scheme provides pensions and lump sums to members on retirement and to their dependants on death. The scheme is set up as a separate trust independent of the employers and is administered by independent trustees. The trustees are responsible for ensuring that the correct benefits are paid, that the scheme is appropriately funded and that scheme assets are appropriately invested.

Responsibility for making good its share of any deficit within the scheme lies with the BTA and this introduces a number of risks for the BTA. The major risks are:

- Investment risk this is the risk of exposure to a movement in the discount rate used (high quality corporate bonds) against the actual return of plan assets.
- Interest rate risk changes in the discount rate used (high quality corporate bonds) will expose BTA to an increase or decrease in the defined benefit obligation.
- Inflation risk changes in inflation rates impact on future salaries and pension costs, as well as investment returns and accordingly expose the BTA to an increase or decrease in the defined benefit plan assets and obligations.

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- Longevity rates changes in the estimation of the mortality rates of current and former employees similarly expose BTA's defined benefit obligation measurement.
- Salary risk this is the risk exposure to changes in future salaries.

The Trustees (and BTA) are aware of these risks and manage them through appropriate investment and funding strategies. The Trustees manage governance and operational risks though a number of internal control policies, including a risk register.

The Trustees ensure that the investment positions are managed within an asset-liability matching framework that has been developed to achieve long term investments that are in line with the obligations under the pension schemes. The objective is to match assets to the pension obligations by investing in a diversified portfolio of investments with maturities that match the benefit payments as they fall due. These investments include a mix of equities, bonds, gilts, annuities and property, as disclosed on page 94. The portfolio of investments is considered to offer the best return over the long term with an acceptable level of risk. The strategy is regularly reviewed and updated as considered appropriate by the Trustees.

BTA's share of the UK scheme at the measurement date under the assumptions used is a surplus of £520k (2020-21: deficit of £24.0m). The movement from deficit to surplus is primarily due to changes in economic conditions over the year resulting in changes to the assumptions used to value the scheme assets and liabilities, in particular the discount rate and inflation rate assumptions, as well as demographic assumptions that have been updated based on the latest available valuation census data. These resulted in actuarial re-measurement gains of £24.5m (2020-21: loss of £21.1m) being recognised in the year. Actual return on assets amounted to £6.9m (2020-21: $\pm 10.3m$) compared with an expected return of $\pm 3.7m$ (2020-21: $\pm 3.9m$), while interest on the defined benefit obligation component amounted to $\pm 4.2m$ (2020-21: $\pm 4.1m$), resulting in a net interest cost recognised in the Net expenditure for the year of $\pm 476k$ (2020-21: $\pm 52k$).

US Pension defined benefit scheme

Similar to the UK scheme, the US pension scheme is administered by a separate fund. The Trustees of the fund is made up of representatives of BTA and employees, (present and former). Plan assets held in trust are governed by local regulation, as is the relationship between BTA and the Trustees and their composition. The Board also has responsibility for the plan, including setting investment, contribution and other relevant policies.

The scheme is a final salary pension plan, which provides benefits to members in the form of a guaranteed level of pension payable for life. BTA is responsible for all contributions to the scheme. The level of benefit provided depends on a number of factors including age, years of service and retirement date compensation. Pensions in payment are generally updated for inflationary increases in line with the retail price index. In addition to the inflationary risk, the scheme is exposed to a number of other risks, including:

- Investment risk this is the risk exposure to a movement in the discount rate used (high quality corporate bonds) against the actual return of plan assets.
- Interest rate risk decreases/increases in the discount rate used (high quality corporate bonds) will expose BTA to an increase/decrease in the defined benefit obligation.
- Longevity rates changes in the estimation of the mortality rates of current and former employees similarly expose BTA's defined benefit obligation measurement.
- Salary risk this is the risk exposure due to changes in future salaries.

The overall position of the US pension scheme reflects net assets of £466k (2020-21: £343k). The asset movement in the current year was primarily due to the positive return on assets – there were no movements in the actuarial assumptions since the prior year. There was no employer contribution for the current year and this is expected to continue for the foreseeable future.

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In accordance with IAS 19, the maximum surplus that may be recognised is limited to an amount equal to the present value of any economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan.

Defined benefit pension schemes disclosures

The principal actuarial assumptions used in the IAS19 valuation were:

	2021-22		2020-21	
	UK Scheme	US scheme	UK Scheme	US scheme
Discount rate	2.80%	3.40%	2.00%	3.00%
Salary growth rate	3.61%	3.25%	2.95%	2.75%
Inflation / Pension growth rate (RPI)	3.60%	2.20%	3.20%	2.20%
Inflation / Pension growth rate (CPI) pre 2030	2.85%	2.20%	2.45%	2.20%
Inflation / Pension growth rate (CPI) post 2030	3.40%	-	-	-

Life expectancy assumptions from age 65		2021	-22	2020-21		
		UK Scheme	US scheme	UK Scheme	US scheme	
Retiring 31 March 2022	Male	22.2	-	22.2	-	
Retining 51 March 2022	Female	24.2	-	24.2	-	
Detiring in 20 veere' time	Male	23.8	-	23.8	-	
Retiring in 20 years' time	Female	26.0	-	26.0	-	

Statement of Financial Position Disclosure

	UK scheme £'000	2022 US scheme £'000	Total £'000	UK scheme £'000	2021 US scheme £'000	Total £'000
Fair value of plan assets	193,402	3,149	196,551	188,721	3,021	191,742
Present value of funded obligations	(193,241)	(1,978)	(195,219)	(212,556)	(1,957)	(214,513)
Total of funded schemes	161	1,171	1,332	(23,835)	1,064	(22,771)
Effect of asset ceiling	-	(705)	(705)	-	(721)	(721)
Present value of unfunded obligations	(107)	-	(107)	(118)	-	(118)
Net assets/(liabilities)	53	466	520	(23,953)	343	(23,610)

Changes in the fair value of the plan assets

		2022			2021	
	UK scheme	US scheme	Total	UK scheme	US scheme	Total
	£'000	£'000	£'000	£'000	£'000	£'000
At the beginning of the year	188,721	3,021	191,742	180,384	2,082	182,466
Interest income	3,715	89	3,804	3,991	58	4,049
Administration expenses	(215)	0	(215)	(262)	(3)	(265)
Return on plan assets (excluding interest)	6,931	(2)	6,929	10,340	1,176	11,516
Exchange gain/(loss)	0	92	92	-	(234)	(234)
Employer contributions ¹	223	0	223	200	-	200
Benefits paid	(5,973)	(51)	(6,024)	(5,932)	(58)	(5,990)
At end of year	193,402	3,149	196,551	188,721	3,021	191,742

¹Refer to employer contribution table on page 90

Composition of plan assets

	2022					
	UK scheme £'000	US scheme £'000	Total £'000	UK scheme £'000	US scheme £'000	Total £'000
Equity	78,436	3,129	81,565	93,812	3,013	96,825
Liability Driven Investment funds	81,419	0	81,419	51,095	-	51,095
Property	16,536	0	16,536	14,150	-	14,150
Annuities	7,903	0	7,903	9,170	-	9,170
Cash	9,108	20	9,128	20,494	8	20,502
	193,402	3,149	196,551	188,721	3,021	191,742

Movement in asset ceiling

	UK scheme £'000	2022 US scheme £'000	Total £'000
At the beginning of the year	-	721	721
Changes in asset ceiling	-	(37)	(37)
Exchange gain	-	21	21
At end of year	-	705	705

The weighted average duration of the UK and US schemes are 18 and 11.48 years respectively (2020-21: 19 and 13.82 years).

Movement in present value of defined benefit obligation

		2022				
	UK scheme £'000	US scheme £'000	Total £'000	UK scheme £'000	US scheme £'000	Total £'000
At the beginning of the year	(212,556)	(1,957)	(214,513)	(182,224)	(2,106)	(184,330)
Interest cost	(4,191)	(57)	(4,248)	(4,042)	(59)	(4,101)
Current service cost	0	(47)	(47)	-	(37)	(37)
Past service cost	0	0	0	(770)	-	(770)
Changes in demographic assumptions	0	29	29	3,062	-	3,062
Changes in financial assumptions	18,107	155	18,262	(37,343)	-	(37,343)
Experience (loss)gain	(575)	(94)	(669)	2,830	-	2,830
Exchange (loss)/gain	0	(58)	(58)		186	186
Benefits paid	5,973	51	6,024	5,931	58	5,990
At end of year	(193,242)	(1,978)	(195,220)	(212,556)	(1,957)	(214,513)

Amounts recognised in the Statement of Comprehensive Net Expenditure

		2021-22			2020-21			
	UK scheme	US scheme	Total	UK scheme	US scheme	Total		
Net interest cost	476	(32)	444	52	-	52		
Foreign exchange loss	-	(34)	(34)	-	47	47		
Administration cost	215	-	215	262	3	265		
Past service cost	-	-	-	770	-	770		
Employer contributions	(223)	-	(223)	(200)	-	(200)		
Current service cost		47	47	-	37	37		
Total	468	(19)	449	884	87	971		

Re-measurement in Other Comprehensive Expenditure

		2021-22				202	20-21	1
	Un- funded	UK scheme	US scheme	Total	Un- funded	UK scheme	US scheme	Total
Return on plan assets	-	6,931	(2)	6,929	-	10,340	1,176	11,516
Changes in demographic assumptions	11	-	29	40	2	3,062	-	3,064
Experience loss/(gain)	-	(575)	(94)	(669)	-	2,830	-	2,830
Changes in financial assumptions		18,107	157	18,264		(37,339)	-	(37,339)
Change in asset ceiling			16	16		-	(721)	(721)
Total	11	24,463	106	24,580	2	(21,107)	455	(20,650)

Sensitivity Analysis

The sensitivity analysis shown in the table below is based on a change in an assumption while holding all other assumptions constant. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions, the same method has been applied as when calculating the pension liability recognised within the Statement of Financial Position.

UK scheme					
Adjustment to discount rate	+0.5%	-0.5%			
Change in defined benefit obligation	£16.1m decrease	£19.1m increase			
Adjustment to RPI inflation	+0.5%	-0.5%			
Change in defined benefit obligation	£16.7m increase	£14.4m decrease			
Adjustment to mortality	+ 1 year	-1 year			
Change in defined benefit obligation	£9.3m decrease	£9.3m decrease			
US scheme					
Adjustment to discount rate	+0.5%	-0.5%			
Change in defined benefit obligation	£108k decrease	£119k increase			

Defined Contribution Schemes

Other schemes in place during the year to 31 March 2022 are in Germany, Belgium, India, Denmark, Norway, Netherlands, Poland, Brazil, Sweden, Australia, Canada and Gulf Cooperation Council nations. All of these are defined contribution schemes with the employer's basic rate of contribution varying between 3% and 8% of pensionable salaries. The total charges for contributions to these schemes in the year were £50k (2020/21: £55k) and are included within the total pension cost for the year.

The contribution amounts paid to the UK Defined Contribution Scheme are as follows:

Employee Contribution	Employer contribution
3%	9%
4%	10%
5	11%
6%+	11%

Post 2017 starter contributions

Pre-2017 starter contributions

Contribution						
Timing	Employee	Employer	Employee	Employer	Employee	Employer
Until 31 March 2021		14%		15%		16%
1 April 23 to		12%		13%		14%
31 March 24						
1 April 24 to	3%	11%	4%	12%	5%	13%
31 March 25	370		4 70		570	
1 April 25 to		10%		11%		12%
31 March 26						
1 April 26 onwards]	9%		10%		11%

23. Related Party Transactions

Details of transactions greater than £10k with government bodies and companies where Board and VEAB Members, Directors and senior staff have an interest are disclosed below. There were no unpaid debtor or supplier balances as at 31 March 2022. There were no unpaid supplier balances as at 31 March 2021.

2021-22					
	Relationship	Nature of transaction	Invoiced in 2021-22 £'000	Purchased in 2021-22 £'000	
Mark Taylor	Non-Executive Director, London & Partners Ltd		47	64	
lan Edwards	Board Member, Welsh Government	_	47	-	
Debra Lang	Non-Executive Director, Meetings Industry Association	- Marketing		7	
Allan Lambert	Ambassador, Family Holiday Association	promotions		75	
Sarah Fowler	Chief Executive, The Wildfowl & Wetland Trust	_		42	
Tricia Warwick	Honourary Board Member, UK Inbound Ltd	_		78	

2020-21					
	Relationship	Nature of transaction	Invoiced in 2020-21 £'000	Debtor balance as at March 2021 £'000	Purchased in 2020-21 £'000
Mark Taylor	Nep Executive Director			2 000	
Mark Taylor	Non-Executive Director, London & Partners Ltd		29	-	28
lan Edwards	Board Member, Welsh Government	 Marketing	260	21	2
Andy Wood	Non-Executive Director, Visit East of England	promotions	-	-	120
Allan Lambert	Trustee, Peak District National Park Authority		-	-	148

24. Contingent liabilities

There is potential non-compliance in connection with out Indian operations and our India Subsidiary over cash collection and the branch office. The final outcome of the investigations with the Reserve Bank of India could result in a fine the value of which is currently unknown. BTA are working with their advisors and it is currently anticipated that the position and the value of any liability will be known by March 2023.

25. Events after the Statement of Financial Position date

The Annual Report and Accounts were authorised for issue by the Accounting Officer on the date of the audit certificate.

There are no other events after the Statements of Financial Position date.

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