



VisitBritain/Quintin Lake/Andy Edwards

British Tourist Authority Trading as VisitBritain and VisitEngland

Annual Report and Accounts For the year ended 31 March 2023

HC 1538

SG/2023/125

British Tourist Authority

Trading as

VisitBritain and VisitEngland

Annual Report and Accounts

For the period 1 April 2022 to 31 March 2023

Presented to Parliament pursuant to Section 6(4)
and Section 6(6) of the Development of Tourism Act 1969

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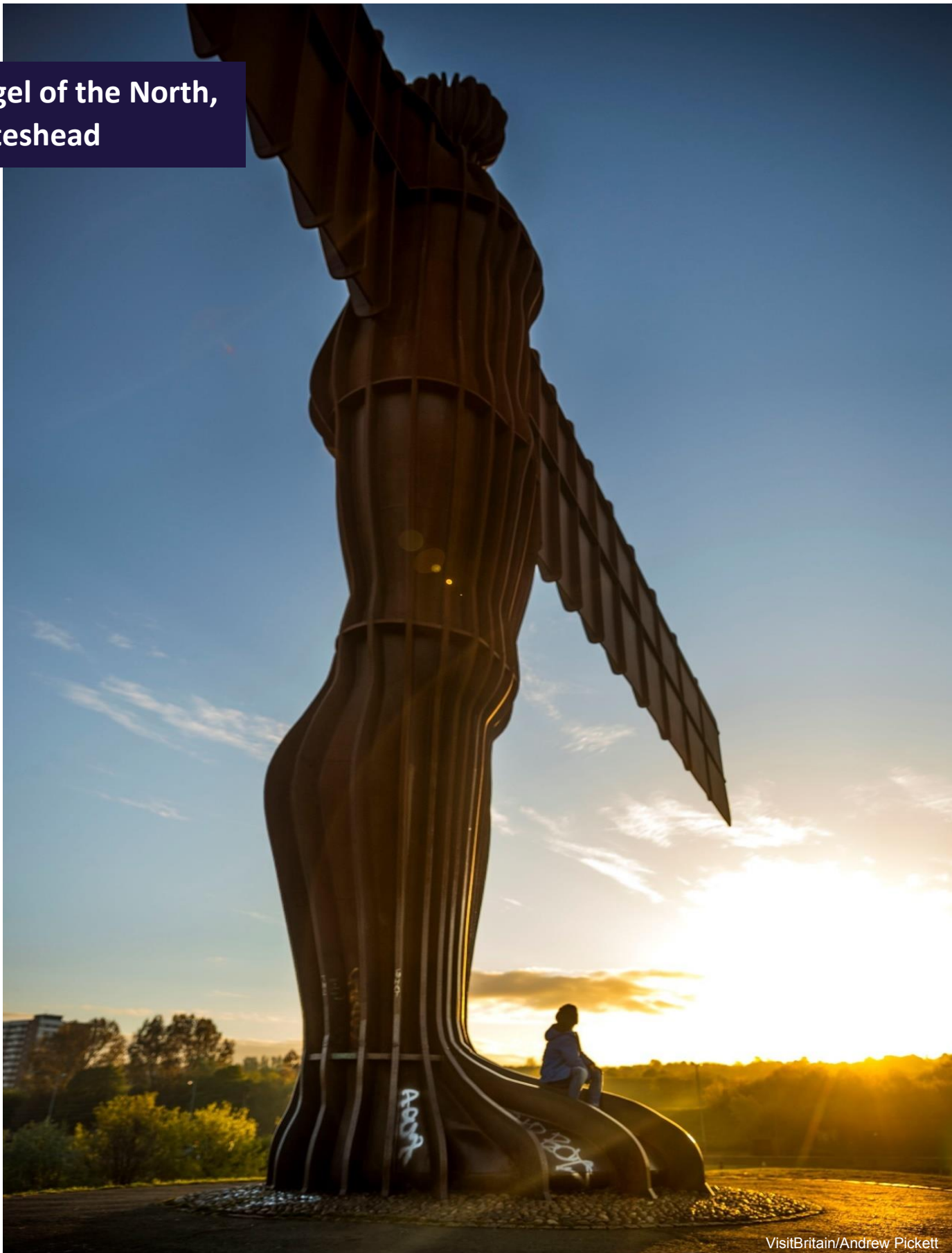
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Angel of the North,
Gateshead



VisitBritain/Andrew Pickett

Chair Foreword



“We remain committed to working alongside the sector to promote Britain’s best destinations, throughout periods of change and uncertainty.”

2022-23 has been a year of change, for VisitBritain/VisitEngland, for tourism, and for our country.

The visitor economy has continued to demonstrate its remarkable ability to rebound despite the context of constant change and unforeseen adversity, responding in kind with innovation and flexibility. Over the past twelve months there has also been a change in the narrative for tourism - pivoting from a sector in need of aid, to one that could provide a stable base for Britain’s economic recovery and growth.

The refreshed GREAT campaign also holds an ambition to change perceptions. The re-brand challenged us to present Britain as a country to visit today, not one day. The events of 2022 have certainly laid the groundwork required to shine the spotlight on Britain’s dynamism and diversity, and 2023 is set to continue this theme.

Britain began the year preparing for the Jubilee celebrations for our late Queen. Throughout the festivities we truly saw the best of modern Britain seamlessly complementing the pomp and pageantry of royalty.

Our reputation as a host of world class events was further exemplified by the Commonwealth Games. The event would not only see sporting achievements beamed across the globe, but also inspire a new audience to visit Birmingham and the West Midlands. Led by the now iconic animatronic bull, we were treated to a cultural history of the region during the opening ceremony, which I had the

pleasure of attending, hosting travel trade and media from Canada, Australia, and India.

The legacy of these events continues as those who have now seen Britain in all its glory plan their trips. The forecast for 2023 expects Britain to see a record £29.5 billion of inbound visitor spend, an astonishing feat just three years after a 78% drop in spend. The Coronation and Eurovision in Spring 2023, as well as a resurgence in international business events being hosted in Britain, offer opportunities to boost these numbers even further.

The theme of change has also been seen within the British Tourist Authority (BTA) itself over the past year. Not only have I been handed the baton of Chair by Dame Judith Macgregor, but we have also welcomed a new CEO in Patricia Yates. Patricia brings with her a wealth of experience and has already begun to shape and reform the organisation to make it fit for the post-pandemic world.

The Government’s decision to broadly back the de Bois review into Destination Management Organisations (DMOs), including the Local Visitor Economy Partnerships (LVEPs) accreditation programme and the Destination Development Partnerships (DDPs) pilot is also a momentous moment for us to build upon in the coming months. The North East provides a perfect test bed – a region tapped with potential for visitor growth and iconic assets which has been too often overlooked by visitors.

Regional spread has long been a corner stone in VisitBritain/VisitEngland’s strategy and I

01. Introduction

welcome the Government's interest in supporting the structures that will boost these efforts. The North East's inevitable success will also have the effect of solidifying the visitor economy's reputation in delivering the Government's levelling up agenda, and strengthening the case for further industry investment.

Despite my stories of success and positive outlook for 2023-24, I am mindful to return to the changes that have created threats to recovery. Economic and geo-political turmoil has led to rising inflation and cost of living, closed borders, staffing shortages - all challenges that will follow us into 2023-24.

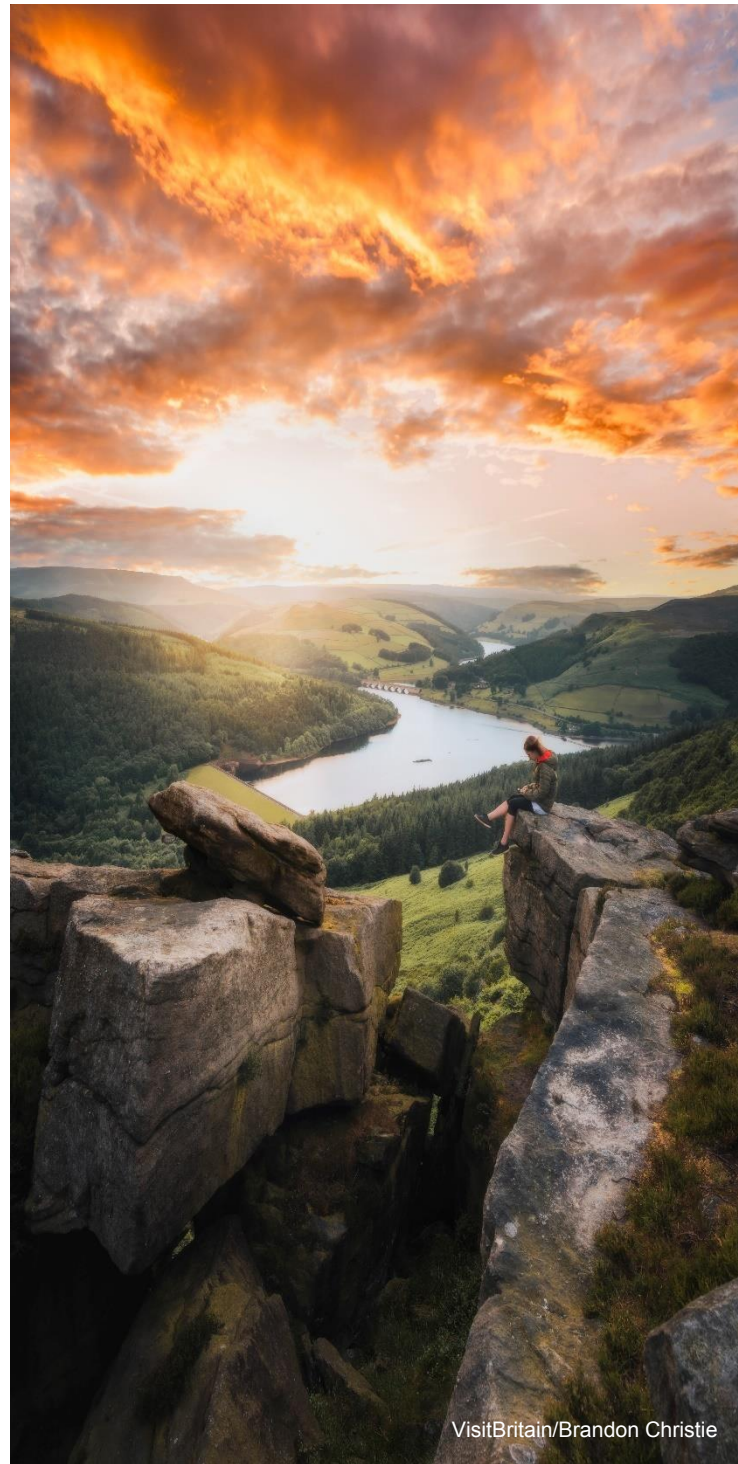
VisitBritain's focus on rebuilding visitor value as quickly as possible, and my own personal commitments to developing our advocacy role and ensuring we have the most up to date data to inform industry, have been established and developed with these challenges in mind. We remain committed to working alongside the sector to promote Britain's best destinations, throughout periods of change and uncertainty.

Finally, I would like to show my appreciation to the BTA Board, whose support and advice has been invaluable in navigating these changes, and in particular Dame Judith for her leadership and gracious guidance to me as I took up this role. I would also like to thank Patricia Yates and the senior leadership team at VisitBritain/VisitEngland for their tireless work, and of course the staff across our 22 markets for their dedication to our success.

My final thanks go to Fiona Pollard and the VisitEngland Advisory Board, whom I have seen provide a strong voice for England within the BTA, and are now tasked with overseeing the shift towards a new model for our domestic tourism landscape.



Nick de Bois CBE
Chair



VisitBritain/Brandon Christie

CEO Introduction



“Results from the year show that we are due to reach 73% of pre-pandemic visitor levels, with the US driving much of this demand. We are forecasting that 2023 will deliver a recovery of visitor value in nominal¹ terms to £29.5 billion”.

While this report reflects on the activity of the wonderful teams at VisitBritain and VisitEngland over the past year, it also marks my first year as Chief Executive of the British Tourist Authority (BTA).

I took on the role eager to adapt the organisation, and make it fit for a post-pandemic world – delivering for both the sector and Government.

The organisation has shifted towards being more externally focused, implementing clear corporate priorities that had tangible outputs for our stakeholders. To support this, I have also prioritised a focus on an organisational culture to ensure every member of our team knew what they were striving towards. This report is now a chance to reflect on the past twelve months and consider our progress.

Rebuild international visitor value

In line with the Tourism Recovery Plan’s ambitions, and the industry’s need for cash flow, we sought to focus our international marketing in those markets that showed the greatest propensity to travel to Britain.

The ‘*Welcome to Another Side of Britain*’ campaign was launched in early 2022, just as international travel restrictions began to be lifted - delivering over £190 million in additional value from international visitors to the British economy.

Corporate and trade partnerships are key to turning inspiration into bookings so our campaign collaborations with British Airways

and Trip Advisor have been highlights in the US and Europe respectively.

Meanwhile, our international teams have built connections in market to ensure that the attractiveness of Britain is clearly sold to overseas visitors, strengthening Business to Business (B2B) trade connections, getting high value PR coverage and using social media to keep Britain top of travel wish lists to further support the recovery of visitor value.

Results from the year show that we have reached 76% of pre-pandemic visitor levels, and 93% of spend in nominal terms, with the US driving much of this demand. We are forecasting that 2023 will deliver a recovery of visitor value in nominal terms to £29.5 billion.

Build the English visitor economy

Tourism can provide local economic investment and careers for every region, but it needs the right holistic structures to support it in doing so.

Since the publication of the Government’s response to the de Bois review of Destination Management Organisations (DMOs), VisitEngland has been working to deliver reforms to the DMO landscape designed to maximise the investment and visitors they can bring to the regions.

We have collaborated closely with sector stakeholders in getting this process underway, and have accredited the first fifteen Local Visitor Economy Partnerships (LVEPs) and have our first pilot Destination Development Programme (DDP) in the North East.

¹ Not adjusted for inflation

01. Introduction

VisitEngland has also been delivering for small and medium enterprises (SMEs) in the sector, providing advice and training on selling product internationally, improving accessibility, and developing England's sustainable offering.

Build our influence

VisitBritain/VisitEngland have continued to highlight the economic importance of tourism and the needs of the sector to Government and other policy makers throughout a turbulent year in Westminster.

We have contributed to Select Committee inquiries, on topics including Promoting Britain Abroad and the promotion of both Wales and Scotland as international tourist destinations. In line with our statutory duty to advise the Government on tourism policy, we have also developed policy papers and briefings on topics including border competitiveness, short-term lettings and the common travel area. These documents will continue to advise our senior leadership team's work.

In March 2023, we enjoyed another successful English Tourism Week, showcasing the importance of the sector to Parliamentarians, including supporting visits to constituency attractions and securing statements of support for the sector on social media.

Build our future

To deliver the innovation required to grow the visitor economy, and deliver on our objectives, we must be fit for the future. Digital and technological transformation are the enabler for this work.

As well as creating a more efficient organisation, that can re-focus resource on delivery, transformation will deliver

improvements including modernised digital channels with more dynamic content; advancements in the way in which the BTA uses data and a new e-learning platform.

We are already making progress on our digital channels, with a new improved consumer website, that puts destinations at its heart, and a new industry facing website to follow later in 2023.

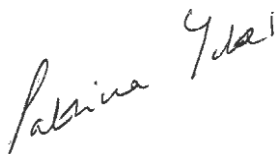
Build our team

A successful transformation strategy is dependent on a highly skilled and resourceful global team.

I have already made significant changes to our senior leadership team in order to encourage a more collaborative approach across teams, as well as give new focus to building external partnerships.

We will continue to build a one global team ethos, to ensure colleagues across the 22 markets where we operate are all united in working towards the same goals whilst fostering talent and innovative decision making.

Finally, I would like to convey my thanks to the whole team at VisitBritain/VisitEngland for their hard work over the past year, to our colleagues in the tourist boards of Scotland, Wales, and Northern Ireland for their collaboration; to Officials and Ministers at the Department for Culture, Media and Sport (DCMS) for their support of the BTA and tourism more widely; and of course, to the BTA's Chair and Board for all of their support and guidance. I look forward to working with you all in the coming year as we continue to drive growth for British tourism and support our sector to thrive.



Patricia Yates
Chief Executive

Cuilcagh Boardwalk Trail,
Enniskillen



VisitBritain/NIExplorer

Benefits of Tourism to the UK

How tourism benefits the UK economy



The visitor economy is one of the UK's great success stories. As an economic sector, **UK tourism is typically worth around £127bn a year** (9% of GDP).



As a **top job creator**, tourism **supports 3.1m jobs** with career progression to people of all ages in every part of the country.



Pre-pandemic, tourism was the **UK's third largest service export**.



In 2019 inbound tourism **contributed £12bn in taxes** to the Treasury, with visits from overseas visitors to the UK reaching 40.9m, and a **record-breaking spend of £28.4bn**.



In 2019, **British residents spent £19.4bn on 99m domestic overnight trips**, and £56bn on 1.4bn day visits in England.



The sector supports sustainable and innovative businesses, **incorporating over 200,000 SMEs**.



Business events showcase Britain's expertise in key sectors including medical, life science, technology and advanced engineering, with an **estimated £31.2bn in visitor spend in 2019 with £165bn transacted** at these events.



With 16% of visitors more likely to invest in our products and businesses, tourism is a key component of **Britain's enviable soft power ranking**, helping to promote our culture, values and welcome to the world.



The UK's tourism sector is a top place maker, generously contributing to the creation of Britain's incredible destinations that **boosts jobs, attracts investment and welcomes visitors** from across the globe.



Inbound visits are **forecast to increase to 35.1m** and spending to **£29.5bn in 2023**.

Role of the British Tourist Authority

The British Tourist Authority (BTA) is the national tourism agency, operating since 1969 as a non-departmental 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 19 offices in 16 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. Our principal place of business is 3 Grosvenor Gardens, London.

It is our 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. The plan was originally published in 2021 in recognition of the impact of COVID-19 and the value of the sector to the UK economy. In March 2023 an update of the state of the tourism sector and progress against its objectives was published ².

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 Great Britain.

VisitEngland's role is to focus on domestic tourism and the relationship with Destination Management Organisations (DMOs) and Local Visitor Economy Partnerships (LVEPs) and also to offer support to the industry through the Business Advice Hub.

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.

² [Tourism Recovery Plan: Update on Delivery](#)

Our Strategy

VisitBritain and VisitEngland has a clear vision to support the visitor economy over the three-year period of 2022 to 2025.



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.

OUR ROLE

To drive immediate tourism recovery by building back visitor spend as quickly as possible and supporting the industry.

Our Five Strategic Pillars

**Rebuild
International
Tourism**

**Build
our
Future**

**Build English
Tourism**

**Build
our
Influence**

**Build
our
Team**

2022-23 CORPORATE PRIORITIES under each Strategic Pillar

Position Britain as a dynamic, diverse, sustainable and inclusive destination, prioritising regional and seasonal visitor dispersion and improved productivity.

Transform the way we work to compete in a digital world, build our strengths in data and diversify our funding.

Lead and enable a sustainable and resilient visitor economy in England.

Be the trusted voice in tourism. Support growth by shaping policy and providing insights.

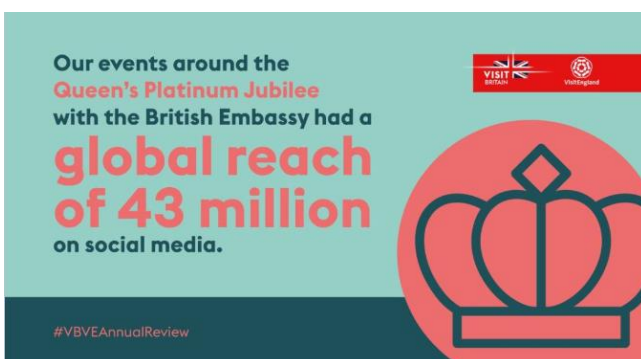
Work as a global team. Ensure our structure and skills best deliver on the strategy.

Our Performance

2022-23 was the first year we delivered on our vision, when VisitBritain and VisitEngland's role in the visitor economy was more important than ever. We helped the visitor economy rebuild from the pandemic, supporting the industry and preparing for the challenges of the future.



2022 was a historic year for the UK, packed with high-profile celebratory occasions such as the late Queen's Platinum Jubilee which marked 75 years of her reign and the Birmingham 2022 Commonwealth Games, which attracted huge interest from around the globe. These events provided ripe opportunities to amplify our inbound tourism message by creating celebratory content promoting Britain globally during the year to highlight our warmth and welcome to the world, and encourage visits and spend by international visitors.



To rebuild international tourism and drive an urgency to visit Britain today, we launched the 'Welcome to Another Side of Britain' campaign in 2022. We are delighted to have been nominated for two influencer awards for the work we did as part of this campaign ³.



In February 2023, we launched our new multi-million-pound international GREAT campaign. 'See Things Differently' which will run until June 2023 and positions Britain as a dynamic, diverse and welcoming destination. The focus is on countries where we are seeing strongest recovery including the US, the Gulf Cooperation Council (GCC) countries, France, Germany and Spain.

In Europe and the GCC the campaign plays on Britain's affinity with tea. 'Spill the Tea' taps into motivations for immediate travel based on our latest research. In Canada and US, 'Fake (Br)it Till You Make It', showcases Britain's regional diversity, sharing a warm welcome in a range of regional accents, encouraging visitors to come and explore these destinations for themselves.

³ **Marketing Week Awards** under **Best Use of Influencers** (announcement 3 Nov): [Marketing Week awards](#)

Blogosphere Awards under the **Travel Creator Campaign** (announcement 22 Sep): [The Blogosphere Awards](#)

02. Performance Overview

The impact of the latest campaigns will be reported in September/October 2023.

We partnered with major travel companies such as British Airways, Trip Advisor, LastMinute.com and Wego to amplify our message and reach, converting inspiration to bookings. We strengthened connections between international travel trade and British destinations and suppliers through our events ExploreGB and Destination Britain North America, with over 10,000 meetings taking place across both events.

Our international teams have deepened their trade, media and influencer connections in markets to ensure that Britain is at the top of travel wish lists for international travellers.

A core aspect of our priority to rebuild the visitor economy is promoting Britain and England as an attractive host for international events, business meetings, exhibitions and conferences. We do this through the Business Events Growth Programme.



We provide English destinations with connections to the international business events buyers through a series of tradeshows and other buyer engagement, generating 462 enquiries as at the end of May 2023 for business events in England, with the campaign reaching 70-90% of our target markets. The estimated value of additional delegate attendees in approximately £7million, with 21% growth in number of attendees.

To deliver the innovation required to grow the visitor economy, and deliver on our objectives, we must be fit for the future. We made significant advances in our internal transformation

programme, building our digital and data capabilities. This includes launching a new improved consumer travel website and industry facing website.




Since the publication of the Government's response to the de Bois review of Destination Management Organisations (DMO), VisitEngland has been working to deliver reforms to the DMO landscape. It has launched the Local Visitor Economy Partnership (LVEP) programme, accrediting 15 LVEPs by April 2023.

VisitBritain/VisitEngland continues its work to be the trusted voice of tourism, providing insights and intelligence to Government and industry. We have contributed to Select Committee inquiries, on topics including Promoting Britain Abroad and the promotion of both Wales and Scotland as international tourist destinations. In line with our statutory duty to advise the Government on tourism policy, we have also developed policy papers and briefings on topics including border competitiveness, short-term lettings and the common travel area.

We have been taking actions for sustainable tourism. Our CEO leads the sustainability working group of the Tourism Industry Council, where industry representatives are developing programmes to set out a sustainable ambition and support businesses to take the first steps on this journey. A sustainability lead has been recruited to give this the appropriate focus in the organisation. We have a business advice hub which provides practical tips and case studies to support the industry to reduce their impact on the environment.

02. Performance Overview

The VisitEngland Awards for Excellence 2022 achieved an AVE of **£626,000** and reached 12 million on social media.



#VBVEAnnualReview

Our Taking England to the World workshops helped 419 businesses learn how to reach international visitors.

We received 100% positive feedback.



#VBVEAnnualReview

Our success depends on our highly skilled and high performing staff. In 2022, our senior leadership team was reshaped to encourage a more collaborative approach across teams, with a new focus on forging stronger external partnerships. We will continue to build a one global team ethos with high performing, talented and innovative teams across the 16 countries where we are based.

VISITBRITAIN.ORG

Results from our international activities



Our 'Welcome to Another Side of Britain' international campaign took place in Q4 21/22 and Q1 FY22/23 in the US, France, Germany, Italy, Spain and the Netherlands. With an investment of £16,790,111, we generated an incremental value of £190,593,728 for the British economy. This is equivalent to 193,712 additional international visitors, and over 3,500 jobs created



Our 11 content pages on top 2022 events had 286k page views



We achieved 304 international PR press articles with combined OTS of 10.3 million



In 2022, we hosted 12 Queen's Platinum Jubilee events with the British Embassy, leading to 2.7 million impressions on social media and a global social media reach of 43 million



Our global group press trip for seven top tier international media resulted in a combined social reach of over 21 million



150 global social posts achieved more than 1.8 million reach and over 72k engagements



VisitBritain/@visitbritain

Looking Ahead

2023-24 Corporate Priorities

International Visitor Value	Grow international visitor value, prioritising regional and seasonal dispersal and positioning Britain as a welcoming, dynamic, sustainable and diverse destination.
Build our Future	Transform the way we work to compete in a digital world, build our strengths in data and diversify our funding.
English Visitor Economy	Lead and enable a sustainable and resilient visitor economy in England.
Our Influence	Be a collaborative, trusted and valued partner with industry and Government. Support growth by shaping policy and providing insights.
Our Team	Work as one global team. Embed the structure, skills and culture to best deliver on the strategy.

International visitor value

We will continue to rebuild international visitor value in three main ways.

- We will tell our ‘See Things Differently’ brand story, collaborating with Government and the devolved nations on priority themes and exciting internationally significant moments. In 2023 this will include Eurovision and the Coronation and, in 2024, the Paris summer Olympics.
- We will reach our customer with innovative, creative and data-led GREAT Britain advertising and social media campaigns.
- Partnering with the travel industry will be critical for success, so we will have a greater focus on engaging our partners to amplify our campaigns, promote the right product and use great content.

Through our international network, we will also inform, support and connect partners in market including international media, international travel trade and other government partners to share positive perceptions of Britain. We will

also continue our support of Britain and England’s business events industry, attracting events that align with Britain’s leading sectors, and deepening the business events skills and resilience.

We will measure success through the awareness of our campaigns (in target markets) and consideration to visit Britain. We will track our influence on the spend of international visitors outside of London, to measure regional spread. We will monitor the incremental value generated and business growth from the international travel trade and will track our role in winning and growing international business events.

Build our Future

Our internal transformation programme will continue as we develop modern, fit-for-purpose systems and processes across our technology estate and data platforms. We will roll out easy-to-use data platforms with real-time industry and internal data. We will see greater

02. Performance Overview

innovation and continuous improvement as our staff enhance their digital and data capabilities. We will increase our commercial revenue to supplement our Government funding, offering the industry new commercial products and increasing Value-In-Kind (VIK) contribution and amplification of our activity.

English Visitor Economy

The key focus for our VisitEngland remit is to lead on the substantial shift of the Destination Management Organisation (DMO) landscape, embedding the new accreditation framework of Local Visitor Economy Partnerships (LVEPs), while helping deliver the pilot Destination Development Partnerships (DDPs). Through both schemes, we will help English LVEPs be fit to drive sustainable destination management and unlock the benefits to local visitor economies.

Furthermore, VisitEngland will continue to upskill SMEs, help English destinations win more international business events and champion the sustainable and accessible tourism agenda for England.

Our Influence

2023-24 will see a renewed focus on building valuable partnerships that help us deliver our goals and support industry growth. With a new Partnerships Directorate, and an outwardly focused ethos across the organisation, we will build partnerships of mutual benefit with the industry and Government. This includes partnering on research and real-time data, continuing our joint work with Public Diplomacy Partners (PDP) in our international network and deepening engagement with Government to shape policy.

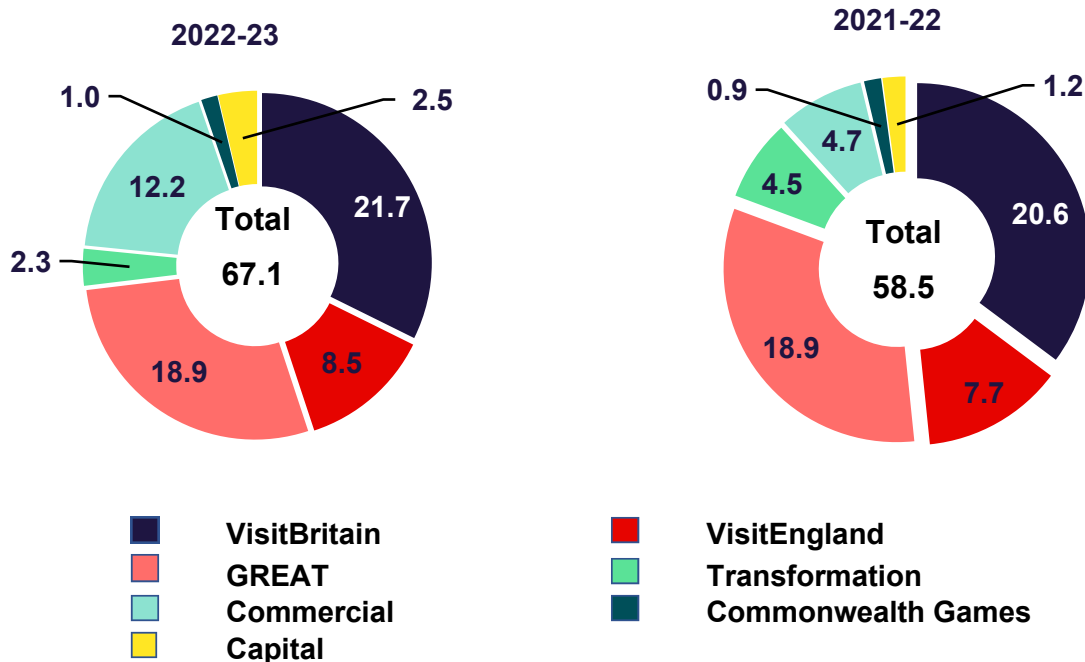
Our Team

Our greatest assets are the passionate staff delivering this strategy in our 19 offices across the world. Following a redesign of the organisation's structure in 2022 and early 2023, we will embed this new structure, with new organisational values and culture. To reap the benefits of our new systems, data and ways of working from the Build our Future transformation programme, our staff will develop their skill set for innovation, testing and learning.



Financial Highlights

Funding (£ millions)



Grant in Aid funding

The BTA receives Grant-in-Aid from the Department for Culture, Media and Sport (DCMS). The funding available for 2022-23 was £54.9 million (2021-22: £53.8 million)⁴.

In cash terms we received £7.7 million which represented expenditure which was deferred from 2021-22 and drew down a total of £48.1 million (2021-22: £45.4 million). We managed our working capital around our retail operation to provide an additional £6.8 million minimising the cash required from DCMS. £3.8 million of cash was deferred to 2023-24. The deferral is due to marketing campaigns which took place in final

quarter where payments were not due until April 2023.

Commercial Income

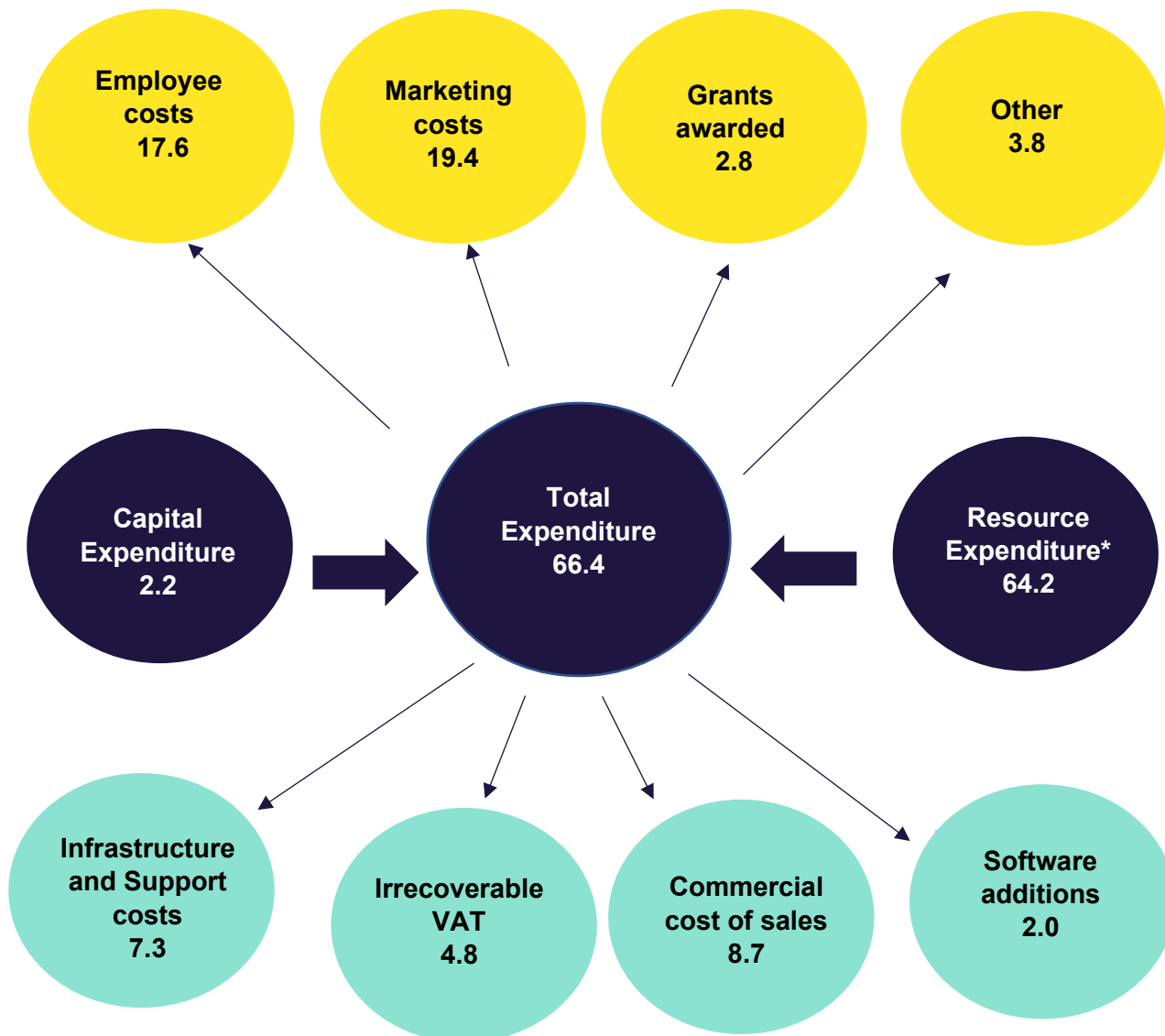
Our commercial income is largely driven by our on-line retail business which supplies travelcards to visitors and earns commission on selling attractions. 2022-23 has seen an increase in retail revenue of 200% due to an increase in visitor numbers following the pandemic.

Commercial income comprises of retail £10.3 million (2021-22: £3.4 million), partnerships £0.6 million (2021-22: £0.3 million) and other income of £1.2 million (2021-22: £0.9 million).

⁴ The funding received is shown post IFRS16 as per our settlement letters.

02. Performance Overview

Expenditure (£ millions)



*Including depreciation and amortisation costs of £1.8 million and net of rent costs of £0.4 million (Post IFRS16)

Activity costs, related to our delivery of our marketing and our various projects including transformation and grants. They were substantially more this year than in 2021-22, as we delivered a full programme of campaigns to support our corporate objectives.

Activity in 2022-23 included grants awarded of £2.8 million (2021-22: £3.3 million). 2021-22 included £2.1 million of COVID-related grants, there were no COVID-related grants in 2022-23.

Staff costs were higher this year due to a consolidated pay award of 2.4% and a non-

consolidated award of 2.66%. The competitive market for talented staff created a difficult recruitment arena as our salaries do not always match competitors' offerings and roles remained vacant for longer than normal. There were redundancy costs in 2022-23 of £0.1 million (2021-22: £nil), see exit packages on pages 68 and 69.

Operational costs were higher than last year due to higher irrecoverable VAT on increased marketing activity and higher infrastructure costs as we returned to full business as usual post pandemic.

Risks and Challenges

During 2021-22 the most substantial challenge faced by the organisation was the COVID-19 pandemic. The focus for 2022-23 was on the recovery for the visitor economy from the impact of the pandemic (see corporate priorities page 14), however we had a number of significant challenges to the delivery of our objectives.

While the challenges of COVID-19 had reduced, other macro-economic factors outside of the control of the BTA have been prevalent during the year for example the conflict in the Ukraine and the cost of living crisis alongside continued intense pressure on public spending. Towards the latter end of the year strike action has become another factor increasing the risks to recovery.

Cabinet Office spending control approvals are required for all marketing, advertising and communication spend. These approvals cover most of the organisations spend outside of staff and operational requirements. While we received emergency approvals to ensure that GREAT campaign activity could continue for the April to June 2022 period, approval of the remaining GREAT campaign activity was received in August 2022. Approval for our core marketing activity was received in December 2022. This impacted on planning and our effectiveness in delivery. We worked collaboratively with, and have been supported by DCMS and the GREAT team in Cabinet Office to achieve the approvals required. This challenge has reduced significantly following approval of 2023-24 marketing activity in January 2023. Cabinet Office spend control reform will ensure a longer-term reduction to the risks and challenges posed during this year.

The delivery of our transformation (Building Our Future) programme is a key strategic

priority. At the end of 2021-22 the mitigations put in place brought the digital transformation element of programme back on track. The challenge in 2022-23 was ensuring the consumer website was launched on schedule and that the procurement of technology and support for data transformation was completed. At the beginning of the financial year we were concerned whether we could deliver the programme successfully given the scale of work and the frontloaded budget. By December the risks had receded and we expect that a modern, fit for purpose application environment at the end of the programme will be delivered.

We continue to work on an on-going challenge in relation to our India operations. There is uncertainty over whether there may be non-compliance with local rules and whether any fines could arise as a consequence. BTA are reviewing a way forward for operations in India and decisions are expected in the first half of 2023-24. The conclusion as to whether there are non-compliance issues is likely to take a significant amount of research and BTA continue to work with its advisers in India to resolve. There is a contingent liability disclosure in note 25 of the accounts.

Further detail of the organisation's risk management approach and main risks on the Corporate Risk Register during 2022-23 can be found in the Accountability Report (pages 53 to 58).

The Visitor Economy

Inbound tourism

Overall, final figures from the Office for National Statistics reveal that the UK received 31.2 million visits from overseas travellers during 2022 across all modes of transport, spending £26.5 billion. This was up from a low of 6.4 million visits and £5.6 billion spent in 2021. The volume of visits was 76% of (24% below) the 40.9 million seen in 2019, and the value of spend was 93% of (7% below) the £28.4 billion in 2019, in nominal terms.

The year started slowly, dampened by the Omicron variant, with visits in the first quarter of the calendar year just 45% of 2019 levels. By the fourth quarter visits were 93% of 2019 levels and spending was 2% up on 2019 in nominal terms (though behind when adjusting for inflation).

In total, Europe and long haul markets recovered at similar rates relative to 2019 in volume terms. 21.0 million visitors in 2022 were from Europe, 23% below the 2019 level, with these visitors spending an estimated £11.7 billion. The 10.2 million visitors from long-haul markets (24% below 2019), meanwhile, spent an estimated £14.8 billion.

The top five inbound markets in volume terms were USA, France, the Irish Republic, Germany, Spain; in value terms were USA, France, Germany, Australia, Spain. The USA recovered rapidly, with 4.6 million visits to the

UK in 2022, 2% higher than in 2019, with these visitors spending a record £6.0 billion. Visits from China, the UK's second most valuable market in 2019 with spending of £1.7 billion, were only 5% of 2019 levels in 2022.

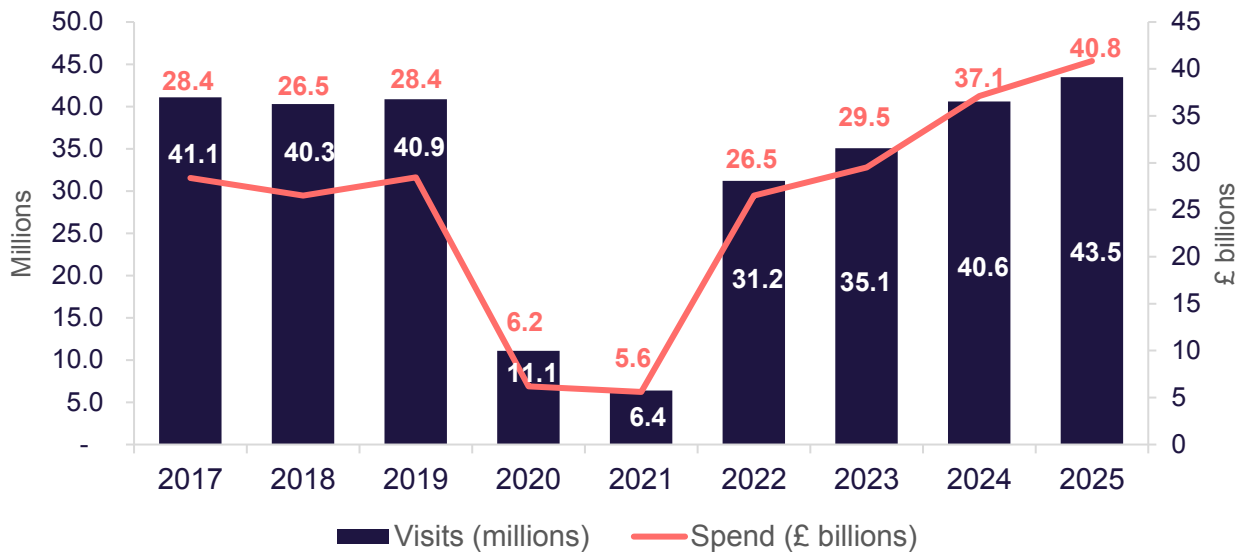
There were 12.1 million holiday visits to the UK in 2022, 72% of (28% below) the 2019 record of 16.9 million. Spending by holiday visitors was 13% lower than 2019 at £11.6 billion. Visits to friends or relatives (VFR), however, had recovered at the fastest rate of any main journey purpose to 95% of the 2019 level, with 11.8 million arrivals in 2022, and spending by these visitors was up 18% on 2019 in nominal terms at a record £7.6 billion. Business visits were some 41% behind 2019 levels (which itself was lower than the record set in 2016) at 5.1 million and spending was 14% down on 2019 at £5.0 billion. Study visits were also 41% behind 2019 at 354,000.

Spend per visit was well up on 2019, with the average visitor in 2022 spending £848 per trip compared to £696 in 2019, an increase of 22% in nominal terms. Inflation played a part in this increase although when adjusting for the Consumer Price Index spend per visit was still 8% up in real terms. This was driven partly by an increase in length of stay, with an average of 8.4 nights per visit in 2022 compared to 7.1 in 2019; spend per night also rose above inflation for holiday and VFR visitors.

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Figure 1 – Historic and Forecast Inbound visits (millions) and spend (£ billions)

Source: International Passenger Survey (IPS) to 2022, VisitBritain forecast for 2023, Tourism Economics forecast from 2024



Flight booking data from Forward Keys suggests that inbound arrivals dropped back in January 2023, with flight arrivals in the Forward Keys database 31% below 2019, before picking up to 26% below in February, 22% below in March and 16% below in April 2023. Bookings for arrival in May 2023 are down just 8% on 2019, June 7% and July 4%. The recent pattern has been for International Passenger Survey figures to show a more positive picture than the Forward Keys database, as the latter does not include low cost carriers whose capacity has recovered, in aggregate, at a faster rate than the total air market. These numbers suggest that after a dip at the start of the year, inbound tourism has continued to recover during 2023 so far.

Flight bookings for the May to July 2022 period for inbound to the UK are 7% below 2019 levels, but on par or higher for some markets, notably USA (up 13%). Bookings from China are still 77% down but have finally started to pick up from the near-zero levels that were still seen at the start of 2023.

Domestic tourism

At time of writing we are awaiting publication of the 2022 and early 2023 results from the revamped Great Britain Tourism Survey (GBTS, measuring domestic overnight tourism) and Great Britain Day Visits Survey (GBDVS, covering domestic day trips).

Looking at hotel occupancy, after a slow start to 2022 due to the impact of the Omicron variant, hotel room occupancy had recovered to pre-pandemic levels for England as a whole by December 2022, a trend that continued through until February 2023. By the latter part of 2022 and early 2023, most regions were experiencing occupancy at similar levels to 2019 or even higher; however, hotels in London, which rely to a much greater extent than the rest of England on inbound tourism, were still experiencing lower occupancy levels than in 2019 (77% in February 2023 vs 81% in February 2019). With inbound tourism still below 2019 levels, this indicates domestic tourism volumes in the hotel sector have returned or even in some cases surpassed pre-COVID levels.

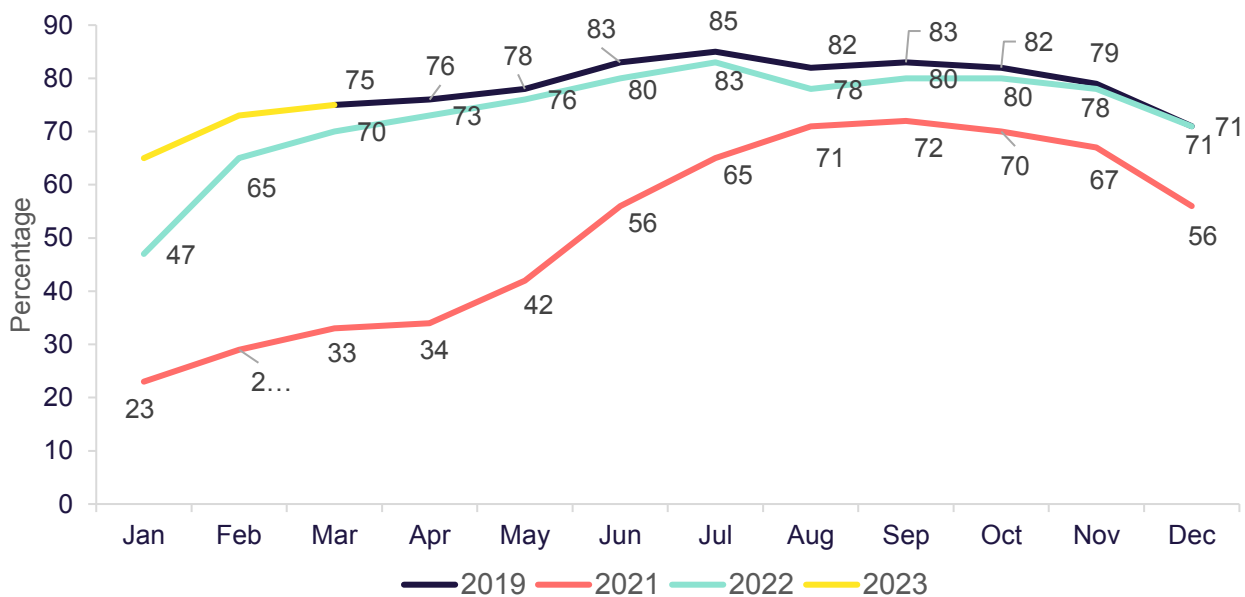
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Meanwhile, hotel average daily rates in March 2023 reached £110.74 compared to £91.12 in March 2019; this is an increase of 22%, just

above the total inflation seen over this period (a 20% increase). Average daily rates therefore rose 1% in real terms.

Figure 2 – England room occupancy, 2019-23

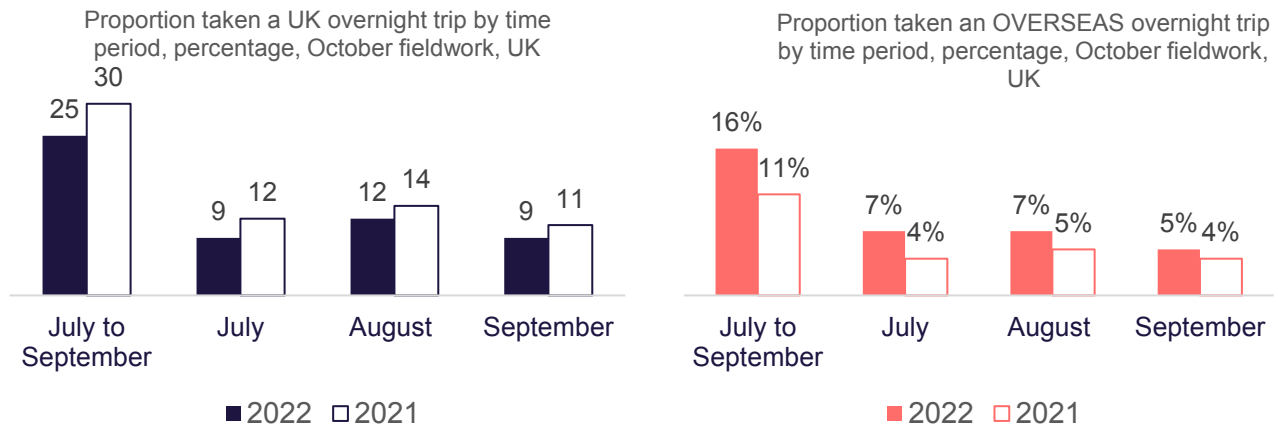
Source: STR/VisitEngland. Percentages.



VisitEngland are continuing to monitor domestic traveller sentiment through our monthly tracker, run in conjunction with VisitScotland and Visit Wales. Using this tracker, we can look back to assess summer 2022. Overall, the same proportion of the UK population took an overnight trip (overseas and domestic combined) in the summer 2022 as did in 2021. However, in Figure 3 (next page) we can see that the balance of domestic versus overseas trips changed in 2022 with fewer taking domestic breaks and more people taking overseas trips. This suggests that in summer 2022 overseas travel replaced UK travel for some.

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Figure 3 – Proportion of the UK population taking domestic and overseas trips, summer 2022 vs summer 2021. The proportion taking domestic trips fell slightly but outbound increased.

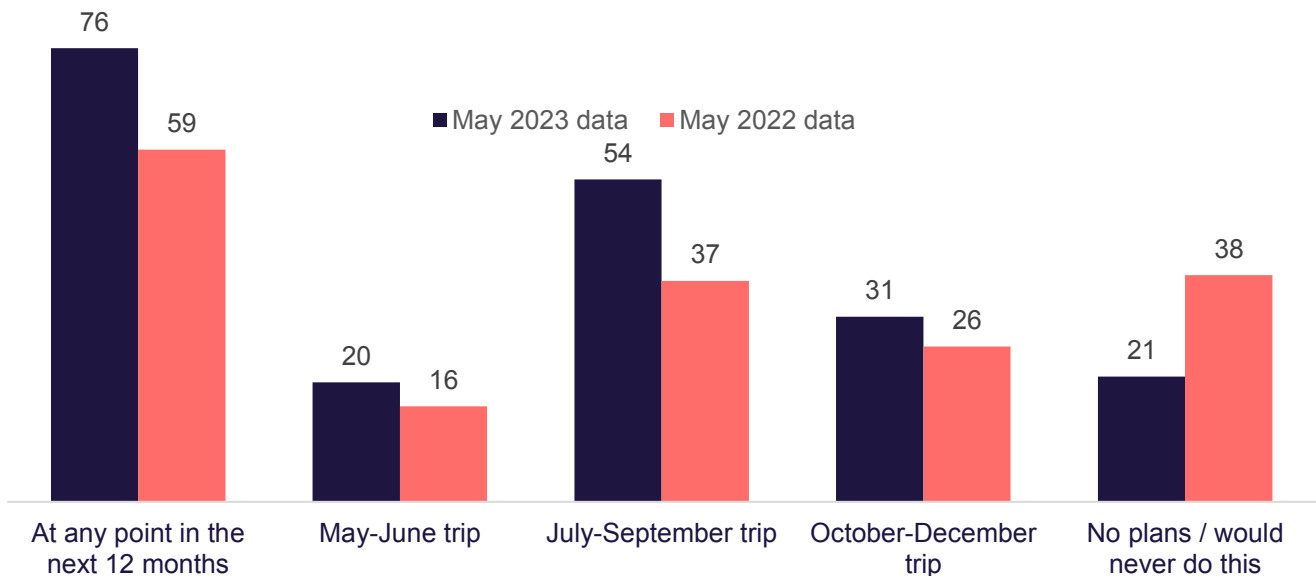


For 2023, the domestic sentiment tracker indicates that overnight domestic trip intentions are above the levels anticipated in 2022, in

particular for the July to September period (54% vs 37%).

Figure 4 – Proportion planning to take any overnight domestic trip, May 2023 fieldwork, UK

Source: VisitEngland/VisitScotland/Visit Wales



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Competitive view

Globally, international overnight tourism arrivals in 2022 were 34% below 2019 levels as of latest data available to the World Tourism Organisation (UNWTO) at time of writing. Arrivals to Europe overall were 20% below 2019; arrivals to the UK, at 24% below, therefore slightly underperformed the European average. Within Europe, arrivals to Southern Europe had recovered the fastest, at just 12% below 2019.

The 2022 Ipsos Anholt Nation Brands Index survey found that perceptions of the UK internationally, which had fallen on a number of measures in 2021, remained broadly steady. The study ranked the UK as the 6th strongest tourism nation brand overall, the same as in 2021 and two down from the 4th place seen between 2018-2020. The UK was ranked as the 4th nation for contemporary culture (the same as in 2020-21) and the 8th for cultural heritage (the same as 2021, but down from the 6th/7th previously recorded for this metric), and the 7th most aspirational destination to visit, if money was no object (steady with 2021, but down from 5th place in 2020).

The visitor economy and tourism forecasts

Looking forward, the most recent VisitBritain forecast at time of writing was for inbound visits to recover to 35.1 million in 2023 (86% of the 2019 level) with the value of spending to rise to £29.5 billion. Spending is therefore forecast to surpass pre-pandemic levels in nominal terms, but adjusting for inflation is approximately on par with visitor volumes in real terms. It is likely that this forecast will be revised up in the next iteration.

When looking at the value of visitor spending, the forecast assumes that length of stay will gradually fall from its 2022 level as we move to a more normal pattern of visitation, therefore

pushing down spend per trip, but that this will be mostly counterbalanced by inflationary factors as inflation is likely to remain higher than the historic norm in 2023 (although lower than in 2022).

There is a lot of uncertainty about prospects in 2023 due to the changeable external context. In particular, the global economic situation will continue to be challenging during 2023, which could mitigate against a swift return to pre-pandemic levels of tourism volumes or (in real terms) value. The forecast assumes that cost of living pressures will not intensify and that inflation will ease from its high point in line with forecasts, although will remain above normal levels in 2023, putting pressure on travellers' spending power. A major unknown is whether an easing of inflation will encourage spending and therefore travel, or whether there will be a delayed reaction to the intense inflation seen in late 2022 in travellers' booking and spending patterns in peak season 2023.

Meanwhile, it is assumed that the COVID-19 situation will not present fresh challenges to international travel and that restrictions will not be re-imposed; and that markets where outbound travel is currently slow or impossible will gradually recover or restart.

The forecast is therefore predicated on a delicate and challenging balance: there will be a minority of travellers who will remain nervous about COVID-19 and will be deterred but many are keen to travel again; cost of living pressures will inhibit travel for some but most regular/occasional international travellers will still go abroad; spending power will be constrained but prices will push up nominal spending. The forecast is therefore a central scenario and only one possible outcome based on our assessment of current knowledge at time of writing; the balance of risks to the forecast are to the downside.

Delivery against our Corporate Priorities

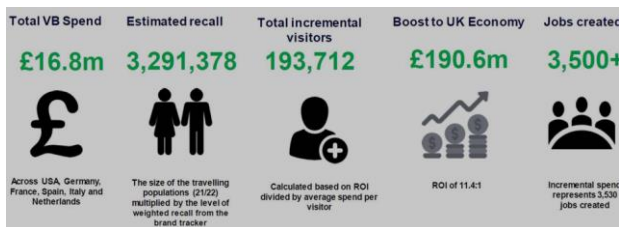
The 2022-23 corporate priorities (see page 14) are centred on five key areas, enabling us to fulfil our role of driving immediate tourism recovery and supporting the industry. These are Rebuild International Visitor Value, Build Our Future, Build the English Visitor Economy, Build Our Influence and Build Our Team.

Rebuild International Visitor Value

As the global tourism industry emerged from the far-reaching restrictions of the COVID-19 pandemic, the priority was to rebuild the economic contribution of this critical sector. VisitBritain sought to rebuild spend by attracting international visitors to Britain as quickly as possible through global marketing campaigns and partnerships.

Deliver innovative, creative and data-led campaigns for international visitors to Britain.

As part of Government's GREAT Britain campaign, our 'Welcome to Another Side of Britain' campaign in winter 2022 told the story of Great Britain to potential international visitors. The campaign provided messages of welcome, reassurance and highlighting the lesser known travel experiences in Britain, with a spotlight on cities who were hit hard by the absence of international visitors during the pandemic.



The major celebration events of 2022, including the late Queen's Platinum Jubilee and the Birmingham Commonwealth Games put Great Britain in the global spotlight, giving VisitBritain valuable opportunities to showcase the outstanding tourism offer and warm welcome.

In February 2023 we launched two creative campaigns, inviting visitors to 'See Things Differently', showcasing Britain as a dynamic, diverse and exciting destination, packed full of activities to come and enjoy now, with a warm British welcome at its heart. These two creative campaigns focused on markets where VisitBritain sees strong recovery. These include the USA, its largest and most valuable market, the Gulf Cooperation Council (GCC) countries and European markets including France, Germany and Spain.

In Europe and the Middle East, our 'Spilling the Tea on Great Britain' campaign used a play on Britain's love of tea, through creative destination images and short films to tell a fresh and exciting story about the experiences on offer, showing visitors that 'whatever your cup of tea, we've got it.'

In Canada and the USA, the campaign 'Fake (Br)it Till You Make It' highlights the richness of Britain's regional diversity, with a variety of local phrases and images from across Britain. The campaign featured short films with Brits sharing a warm welcome in local accents and dialects, with a fun online game where players can have fun mastering the different British accents, with links to destination information to drive bookings to visit. This game used machine learning to 'learn' the regional accents, which was used to judge the players on their impersonations of the regional accents and phrases, encouraging players to share their results on social media

Our integrated campaigns aimed to reach the right audiences on a number of global and local marketing channels, including social media, digital display advertising, print media

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and new website technology. To ensure our campaigns are effective amongst a competitive advertising environment, we worked closely with the GREAT Britain campaign to use highly creative, memorable assets and content.

Measures of the impact of these campaigns is expected to be available by September/October 2023.



Amplify the GREAT Britain brand story through partner and industry collaboration.

To help our marketing spend go further, industry partners invested £5.8 million to amplifying our campaigns. Our joint US campaign with British Airways helped Americans get to know us better, by having Britons answer the 50 most searched questions

about the UK from the meaningful to the light hearted, showing a vibrant, diverse and welcoming Britain.

In 2022, we enabled the British travel industry to get more involved in our activity, with a fund for Destination Management Companies (DMC) and Inbound Tour Operators. £292,000 of grants to 8 organisations helped drive additional

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bookings to Britain, allowing the travel trade to develop and market new regional British travel itineraries throughout the year.

Collaborate with GREAT and Public Diplomacy Partners on priority Government themes.

We work very closely with HM Government across our international network in 22 markets, in joint efforts to be part of the 'soft power' messages promoting Britain abroad.

With £1.1 million funding from Government to support the Commonwealth Games in Birmingham in summer 2022, we worked with the West Midlands Growth Company on activity in Australia, India and Canada, such as B2B trade activity and consumer facing partnership campaigns that showcased the region.

We secured £142,000 of GREAT Challenge Funding to allow us to deliver local campaigns on priority Government themes. In Australia, we joined efforts with GREAT Britain Campaign and public diplomacy partners on the new 'GREAT Love' campaign, launched at Sydney WorldPride in February 2023. Similarly worked together with the GREAT Britain campaign, British Embassy in Doha, Department for International Trade, British Council and Welsh Government on 'The Garden of GREAT' at the FIFA World Cup in Qatar. This showcased the UK as exciting, diverse and a welcoming place to visit, study or trade with.



Inform, support and connect in market.

One of our greatest assets are the local connections and relationships we have across our network of 22 markets, giving us market depth. We delivered high value Public Relations (PR) with local media. We ensure Britain's travel product is sold through the international travel trade, and provide essential business connections between British suppliers and international buyers through our trade events programme. Our 'Showcase Britain' event in January 2023 at the Tottenham Hotspur Stadium in London brought 120 international travel trade representatives to Britain, to do business with British suppliers and explore the country on a series of educational visits, gaining insight into the latest products, experiences, hospitality and accommodation. Before heading off on their educational tours, buyers also attended the 'Britain and Ireland Marketplace' (BIM). There they had a full day of appointments with tourism suppliers and destinations from across Britain.



Our flagship global trade event, Explore GB, was held virtually 27 February to 2 March 2023, allowing us to reach more than 200 international trade organisations who met with

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320 British destinations and suppliers in over 10,000 online meetings.

Destination Britain North America returned as an in-person event for the first time since 2018. A contingent of 60 British suppliers and destinations attended the event in Washington DC, allowing them to deepen their relationships with the valuable North American travel trade with more than 2,000 one-to-one business appointments.

Drive recovery and rebuild Britain's business events industry.

Having been one of the hardest hit sectors during the pandemic, we have supported Britain's business events industry with schemes to help drive recovery, focussing on events that align with Britain's key industry sectors such as life sciences, medical, technology, finance, culture and transport. Our Business Events Growth Programme helps destinations bids for international business events and also grew the number of international attendees. We have developed the sector's skills with resources on driving the term legacy and impact of business events.

VisitEngland, For England, we helped English cities win international business events, giving them platforms to reach international markets and decision-makers at international tradeshows such as IBTM World, IMEX Frankfurt and IMEX America. In doing so, we generated 407 enquiries for business events in English destinations.



Business Events at IMEX Frankfurt

Build our Future

With additional funding of £12 million over 3 years from April 2022 to March 2025, we have made steady progress on our internal 'Build our Future' business transformation programme, which will transform the way we work to compete in a digital world, build our strengths in data and diversify our funding.

The ambition across three years ending March 2025 is to become a modern, agile organisation that can compete in a digital world and meet the ever-growing expectations of our consumer customers and business partners.

It encompasses many areas of the organisation, including digital, data, marketing, technology, finance, HR, staff and culture. The first year of the programme brought together the

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range of projects into a single governance structure and the appointment of a dedicated Transformation Director.



Invest in our digital estate with improved, modern systems and processes

The Digital Customer Experience Programme successfully launched a new global consumer website, offering users a better digital experience that is simpler to navigate, with greater use of images and video to inspire visitors to choose Britain. This is in response to our research that has confirmed that people would like to see more inspirational as well as regional, seasonal and dynamic content.

The new website has been built around practical information and things to do, whilst reassuring our visitors they will be welcome and safe, and providing signposting to partner and industry sites.

It features a new navigation menu that will allow users to find the content that is most relevant to them more quickly and more easily. The content itself is in a new format, with articles and editorial content on Things to do, Seasonal highlights and Events featuring links to appropriate destination and product information. Embedding attractions, destination and theme-specific content across the new site not only allows us to prioritise information that is most sought after by visitors, but also encourage increased traffic to DMO and industry sites as well as the profit-generating VisitBritain Shop.

Visitors are spending 18% longer on the new site in comparison to the old one, adding another seven seconds to their stay. This means that the proportion of quality visitors – those who spend more than 59 seconds on the site – has increased by 40% overall. This is important, as this metric drives our website return on investment calculation, which is reported to government. Users are also more engaged on the new website, and more likely to follow a link to the revenue-generating VisitBritain Shop. Traffic to the shop has increased by an impressive 45%.

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We replaced our digital asset management system, storing and compliantly managing our image and video asset libraries for staff and industry. More than 1,200 users in 43 countries and representing 888 organisations have now registered on the system, downloading and using around 17,000 assets on Britain.

We also started work on replacing visitbritain.org – our website that speaks to a large number of industry stakeholders. We carried out a wide range of user research to help us understand our audiences and their needs, and this work is informing the design of the new site, due to launch in the 2023-24 financial year.

Embed the CRM system

Following the rollout of a new best-in-class Customer Relationship Management (CRM) system in 2021, we have been tailoring and optimising the system to allow better tracking and reporting of our external engagement – including international travel trade, UK stakeholders, journalists and business events. This is a crucial system which will support how we demonstrate the impact our work is having on the visitor economy.

Build the platform to organise and structure BTA's data

Our Data Transformation programme seeks to position us as the primary authority for data, that will be collected and interpreted from multiple sources to provide actionable insights to Government and industry. This data will enable better-informed investment decisions to be made. During the financial year BTA successfully identified, through the discovery stage, the solutions and system requirements and procured the necessary delivery partners and software.

Drive Visit Britain Shop (VB Shop) and run proof of concept trials on commercial marketing models

We set our strategy and vision for our commercial programme in early 2022 to build

on our existing commercial revenue programme and to test new streams of revenue to reduce our overall dependence on Government funding. We expanded the product offering on our VB Shop and will be rolling out branded gift cards in 2023. We also trialled a co-operative marketing campaign in the US. This new consumer marketing campaign enabled smaller tourism industry partners to buy into VisitBritain's seed investment fund of £250,000, securing an additional £324,000 from industry to amplify our message and extend our reach.

Total net cash contributions from VB Shop and the Quality Assurance Scheme was £305,000 with matched funding for co-operative partnerships and events being £6.7 million.

Build the English Visitor Economy

Coming out of the pandemic and into new headwinds, VisitEngland's role to lead and enable a sustainable and resilient visitor economy in England was more important than ever. Over the past year, we built on our close working relationship with Government and industry to evolve and strengthen the sector to meet current and future challenges.

Design and deliver a DMO accreditation scheme

Our support for English tourism took a new turn with the publication of the Government's response to the [de Bois review of Destination Management Organisations \(DMOs\) in England](#), published in September 2021. It gave VisitEngland a remit to redevelop the DMO landscape with a new accreditation scheme in the form of Local Visitor Economy Partnerships (LVEP) and Destination Development Partnerships (DDP), supported by £4 million of funding over three years 2022 to 2025.

The LVEP programme will create a national portfolio of strategic and high-performing LVEPs. Following a series of DMO roundtables in Bristol, London, Warrington, Newcastle and Birmingham, more than 100 delegates gave

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their input on the design of the scheme. As well as achieving a nationally recognised official status, LVEPs will provide strong leadership and management of their destinations, working collaboratively with the public and private sector. They will help to shape and deliver national strategy and activities. Their important role will be promoted across government and national agencies, ensuring the local visitor economy is an active and valued contributor to Levelling Up and the wider economy. LVEPs will be able to access expert advice, dedicated toolkits and training programmes from VisitBritain/VisitEngland in areas ranging from commercialisation, distribution, accessibility and sustainability to business support and marketing, personally supported by a team of five new VisitEngland Regional Development Leads. Applications opened for LVEP accreditation in February, and by early April 15 organisations has been granted LVEP status ⁵.

England's North East region was confirmed as the first DDP pilot in November 2022, selected by the Department for Culture, Media and Sport (DCMS), encompassing NewcastleGateshead Initiative and Visit Northumberland and Visit County Durham tourism boards. Funded with £2.25 million over three years, the pilot will develop new initiatives to attract visitors and investment into the visitor economy while building a case for a nationwide roll-out of DDPs. VisitEngland have worked closely with the pilot areas on the establishment of the DDP, identifying benefits and learnings that can be shared nationwide as the pilot progresses.

From the end of January until the end of March 2023, the campaign "This one's on us!" saw thousands of £20 off discount voucher codes being sent via email to customers who had opted in for marketing communications on the VisitEngland.com and VisitBritainShop.com websites.

The key aims of the campaign were to support the hard-hit domestic tourism industry by stimulating low-season trips to attractions, particularly driving visits in regional areas;

reward our existing loyal customers who are on our database(s) during this challenging economic climate, and extending the season as well as showcasing the breadth and depth of UK product by merchandising regional product on the VisitBritain Online Shop, to support regional dispersal and levelling up areas.



Build best practice tools on accessible and sustainable tourism

We have been building on our commitment to make England the most accessible tourism sector in Europe, as outlined in the [Tourism Recovery Plan](#), by becoming a leading voice on accessibility in tourism and developing and testing accessible tourism itineraries.

We have done this by continuing to offer a wealth of resources for businesses on accessibility, with information on this important market, and advice on how to be more inclusive for those with disabilities including specific guides for those with dementia, autism and hearing loss. VisitEngland remains an advocate for accessible tourism with Ross Calladine (Head of Business Support) a Disability and Access Ambassador for the UK Government. Our work on accessibility with North York Moors has continued to support 12 local businesses to become more accessible, providing each with a comprehensive audit, an improvement plan, disability awareness training, peer

⁵ [LVEP accreditation press release](#)

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mentoring and more.

Sustainability is a commitment that spans all of the organisation's activities. In our international and domestic marketing, we incorporating sustainability into our content and key messages across our marketing content. Linked to this is showcasing sustainable travel product through our marketing activity and the suppliers on Tourism Exchange GB (TXGB). Upskilling industry on sustainable practices is delivered on the Business Advice Hub, in "Taking England To The World" business workshops. We provided research and insights on sustainability trends and demands through the motivations, influences, decisions and sustainability (MIDAS) visitor research programme.

Upskill the sector

Our successful training programme, "Taking England To The World", continued to run this year, educating businesses and DMOs on how to raise their international profile and increase bookings by holding 14 workshops, attended by 419 businesses. Packed with expert-led content, the training workshops were delivered both virtually and in-person in Yorkshire, Liverpool, Buckinghamshire, Worthing, Norwich and Birmingham, with 100% positive feedback.

Increase bookability and diversify distribution channels

TXGB is a technology-led approach designed to help businesses grow. This year the TXGB platform connected with key partners including Bookalet, Guestline, Staah, Ventrata, Spektrix and more to help businesses increase their reach to customers.

Build Our Influence

As the trusted voice in tourism, we advise Government and the industry to enable growth, and support decision-making with timely research and insights.

Influence Government policy on priority areas

Our engagement with Government spans Parliament, Ministers and other Government departments, ensuring that tourism is high on the political and policy agenda. Our policy focus in 2022 was border competitiveness.

Utilising VisitBritain's research and consulting widely with the industry, we wrote a policy paper focused on visas, travel document rule changes post-Brexit, tax-free shopping, and welcome at the border. This paper has informed policy positions and discussions with UK Government. We have also written policy briefing papers on topics like short-term lettings,

Case Study: VisitEngland Awards

Our prestigious VisitEngland Awards for Excellence ceremony, which has championed innovation, quality and best practice across the English tourism sector for over 30 years, took place in June 2022 at the Library of Birmingham. 19 Gold Award winners were announced by the host, broadcaster and author Clare Balding, from hundreds of applicants across England including hotels, self-catering accommodation, B&Bs, glamping operators, attractions, restaurants, pubs and museums.

[Winners](#) of the 15 'core' award categories ranged from New Tourism Business of the Year to the Ethical, Responsible and Sustainable Tourism Award from the Resilience and Innovation Award to the Unsung Hero Award and four special awards, including 'Outstanding Contribution to Tourism Award', 'Travel Content Award', 'TXGB Trailblazer Award' and the 'Tourism Superstar Award' run together with the Daily Mirror.

The Outstanding Contribution to Tourism Award went to 'The English Period Drama' and the film locations used in these shows, in recognition of its valuable role in boosting domestic and inbound tourism to England.

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social tourism, and tourism and the common travel area.

We have participated in three Select Committees related to the visitor economy. In June 2022, the CEO and the then-VisitEngland Advisory Board Chair Nick de Bois CBE gave oral evidence to the DCMS Select Committee inquiry into 'Promoting Britain Abroad', supporting VisitBritain/VisitEngland's written evidence. As part of this inquiry, Patricia Yates accompanied MPs on an evidence-gathering visit to South Korea, highlighting the value of VisitBritain's work in the market. This visit included a roundtable with Korean organisations such as Korean Air, Asiana Air, Hana Tour and Yanolja on how we can encourage Korean travellers to explore more parts of Britain beyond London.

We also hosted an event with the Ministry of Foreign Affairs meeting 50 young Koreans who had been granted a Youth Mobility visa, on their perceptions and expectations of Britain.

We contributed to the Welsh Affairs Committee – 'Wales as a global tourist destination' inquiry. Starting with a visit to VisitBritain's New York office, the inquiry learnt about how our Americas team feature Wales in their work promoting Britain abroad. Patricia Yates then gave oral evidence to the Committee on our work for Wales, including VisitBritain's engagement with Welsh tourism organisations, and tourism promotion opportunities for the nation.

Additionally, Patricia Yates gave evidence to the Scottish Affairs Committee's 'Promoting Scotland Internationally' enquiry on how VisitBritain promotes Scotland

internationally, Scotland's performance as a destination, and the role of events and festivals to encourage visits.

We responded to the global challenge of climate change and calls to the tourism sector to address the issue of sustainability and responsible tourism with a Sustainable Tourism Discussion Paper, in consultation with the industry. We also created a content hub to help businesses and customers to make environmentally friendly choices and we are leading the Tourism Industry Council's sustainability working group through the CEO as Chair.

We are also boosting our impact in the sustainability space through working closely with the Core Cities group, bringing together Birmingham, Bristol, Leeds, Liverpool, Manchester, Newcastle, Nottinghamshire and Sheffield, with each city building their own strategies on performance metrics around environment, social, supply and destination management. This work will enable us to not only showcase excellence, it will enable us to share best practice to champion this work globally.

We are supporting bodies such as the Confederation of Passenger Transport, WRAP and Energy Savings Trust to enable them to amplify the important work they have in place to support industry and build on positive outcomes to improve the visitor journey.

The VisitEngland Business Advice Hub continues to highlight funding opportunities such as the grant schemes for electric vehicle charging infrastructure and great initiatives such as the car-free travel advice and guidance from Good Journey.

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Build a network of advocates

Our cross-Government engagement extends to our overseas markets, as part of Government's soft power activities with public diplomacy partners. The then-BTA Board Chair Dame Judith Macgregor conducted a series of country visits, including Toronto, New York, Paris and Madrid, meeting Consulate-Generals/High Commissioners, and local industry companies including airlines, Destination Management Companies (DMCs) and tour operators. During these visits, the Chair discusses consumer trends and insights, demand for travel to Britain and its competitiveness and the challenges faced by the industry around entry requirements, value for money and the supply chain.

In March 2023 the current Chair Nick de Bois CBE attended the world's largest travel trade show ITB Berlin, visiting the 41 British tourism organisations that were promoting their business on the Visit Britain stand. As part of the visit, Nick attended a roundtable discussion at the British Embassy with our public diplomacy and strategic partners in Germany, including the British Council, Department for Business and Trade (formerly Department of International Trade), and the Welsh and Scottish Governments and tourist boards. The roundtable identified the joint priorities in the German market, and how all organisations can work together on the challenges that impact

tourism and recover visits from the German market.



2022 saw a renewed focus on closer engagement with the industry. We have shifted the organisation to be more externally focused, with the creation of a new Partnerships Directorate. This will allow us to better listen to our stakeholders and implementing clear corporate priorities that have tangible outputs.



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Dame Judith Macgregor speaking at UK House at the Birmingham Commonwealth Games

Collate and share timely and actionable insights

VisitBritain continued to provide our stakeholders with statutory and timely up-to-date research, data and actionable insights on Britain and England, including our monthly consumer and domestic post-COVID sentiment reports to keep industry informed of progress towards recovery of tourism post-pandemic.

This year has also seen the relaunch of the Great Britain Tourism Survey (GBTS), which is a national consumer survey, measuring the volume and value of domestic overnight tourism trips taken by residents in Great Britain⁶. The new methodology has realised efficiencies by combining it with the Great Britain Day Visits Survey (GBDVS). In addition, we have moved GBTS from face to face to be online, allowing results to be published quicker in the coming months. We are also expanding our range of new data sources to be able to provide more timely and granular data, to give a more immediate picture of how inbound and domestic tourism are performing

⁶ [GBTS survey 2020-21](#)

In 2022 we published large-scale exploratory research looking at the motivations, influences, decisions and sustainability ([MIDAS](#)) of international visitors, to gain a deeper understanding of them. Fieldwork took place across 29 markets and covered topics such as travel intentions, decision drivers and motivations, destination perceptions, activity and product interests, customer journey behaviours and emerging trends of interest. We ran two industry webinars on the MIDAS research with 188 attendees in 2022-23 and the report has had over 5,800 downloads from our website. The findings were used to inform the “See Things Differently” campaign

Be the expert on British tourism in the media

We shape perceptions of the industry and highlight the value of our work. We are regularly featured in leading outlets such as BBC, Financial Times, Telegraph, Daily Mail and Sky News, with coverage ranging from the recovery of the tourism sector, our work to support it, key events with our research and statistics regularly quoted.

Build Our Team

Our success depends on our organisation working as one global team, with highly skilled and high performing staff, with the right structure in place to deliver the strategy.

Review the organisation’s design

Internally, we focused on developing our organisation through the Build our Future programme, including a refocus on roles at the top of the organisation and a more collaborative working structure. This includes adding a new Partnerships Director, an International and a Global Marketing Director to our senior team, who are all supported by a new team of Deputy Directors, to ensure that we are in the best shape to deliver for our stakeholders, business partners and potential visitors. Interim

02. Performance Analysis

Transformation Directors were appointed to give senior priority to the three-year Build our Future programme while the fixed term contract role was recruited. The Partnerships Director role was also recruited to focus on forging stronger external partnerships. These two appointments were made in early May 2023.

We will work globally as One Global Team, and be more outwardly focused, embracing the opportunity to adapt to the environment around us and the demands made on us. We will use data to constantly learn what works and give up activity that does not add value to the industry. We will be using our talented staff wherever they may be located, welcoming change and challenge. We will offer our people the opportunity to learn, develop and use new skills. Our people will have a truly global remit, not working for one department or country but using their skills on projects that help us deliver our future.

As part of these organisational changes, we are reviewing our purpose statement and

organisational values and culture, shaped by new senior leadership appointments and post pandemic ways of working.

Estates Strategy

In line with Government policy, we will begin employing more staff outside of London and the South East. In 2022-23, VisitEngland appointed five regional development leads, who are based in the regions they represent to support their Local Visitor Economy Partners (LVEPs). VisitBritain/VisitEngland now recruits staff UK wide either through remote or hybrid working and will continue to employ staff internationally in our market locations. We plan to establish a base outside London and the South East, which in time will become VisitBritain/VisitEngland's primary location, whilst retaining a small presence in London.

We continued to deliver initiatives against the People Strategy, which was first launched in November 2020 (see Staff Report page 66).



VisitBritain/Aurelie Four/@lecorgi

Sustainability Report

We are creating a sustainable future as an organisation and for the tourism industry.

VisitBritain/VisitEngland defines sustainable tourism as practices taken by visitors and businesses in the visitor economy to minimise the negative environmental and social impacts of tourism, and to enhance the economic and cultural benefits for visitors, businesses, and host communities.

The Tourism Recovery Plan challenged the sector to contribute to the enhancement and conservation of the country's cultural, natural and historic heritage and minimise damage to the environment. VisitBritain is working to understand where it is best placed to contribute and lead the industry in this challenge.

Working with partners

- CEO chairs the Tourism Industry Council sustainability working group.
- Industry sustainability news is shared with press and global teams
- BTA uses sustainable businesses in press trips.

Internal Sustainability Working Group

Focused on how we promote sustainable practices with our suppliers, engage with our stakeholders and staff for example through our travel policies and recruiting sustainability lead

Sustainable Procurement

- Following Government Buying Standards
- If a framework is not being used mandatory sustainability requirements are included
- As part of Social Value, BTA follow the Crown Commercial Services (CCS) and Government Commercial Function guidance to include a 10% Social Value weighting. One of the specific Social Value criterions is: 'Fighting Climate Change' – suppliers report how they "deliver additional environmental benefits in the performance of the contract including working towards net zero greenhouse gas emissions".
- Monitor the impact of Social Value as part of our ongoing contract management process and report it to CCS and DCMS Commercial as appropriate.

Industry interaction

- Sustainability category in VisitEngland Awards for Excellence
- Close working with LVEPs and industry bodies
- Take best in show to enable us to build inspirational case studies for industry.

Business Advice Hub

- Continual updates with case studies and toolkits
- Usage monitored to inform how to progress work in this area
- Links to Government initiatives such as WRAP 'Guardians of Grub'
- Working closely with the 8 Core Cities to build their sustainable actions within a framework aligned to the Global Destination Sustainability Index (Liverpool, Manchester, Newcastle, Leeds, Sheffield, Nottingham, Bristol and Birmingham).
- Creation of toolkits and guidance for other destinations.

Organisation Transformation

- More sustainable working practices, replacing energy intensive hardware and embedding recommendations from the new sustainability lead
- Systems are moving to the cloud, removing the need to have dedicated servers and physical space for housing information to more efficient external providers.

02. Performance Analysis

Greening Government Commitment	2019-20 Baseline	Progress from 2019-20 to 2022-23	2022-23 Performance										
Greenhouse gas emissions (Note 1)	548 tonnes of CO ²	<table border="1"> <tr><th>Year</th><td>19-20</td><td>20-21</td><td>21-22</td><td>22-23</td></tr> <tr><th>Value</th><td>548</td><td>68</td><td>129</td><td>225</td></tr> </table>	Year	19-20	20-21	21-22	22-23	Value	548	68	129	225	225 tonnes of CO ²
Year	19-20	20-21	21-22	22-23									
Value	548	68	129	225									
Domestic and international business flights (Note 2)	538 flights	<table border="1"> <tr><th>Year</th><td>19-20</td><td>20-21</td><td>21-22</td><td>22-23</td></tr> <tr><th>Value</th><td>538</td><td>26</td><td>224</td><td>505</td></tr> </table>	Year	19-20	20-21	21-22	22-23	Value	538	26	224	505	505 flights
Year	19-20	20-21	21-22	22-23									
Value	538	26	224	505									
Water use (Note 3)	235 metre ³	<table border="1"> <tr><th>Year</th><td>19-20</td><td>20-21</td><td>21-22</td><td>22-23</td></tr> <tr><th>Value</th><td>235</td><td>117</td><td>109</td><td>101</td></tr> </table>	Year	19-20	20-21	21-22	22-23	Value	235	117	109	101	101 metre ³
Year	19-20	20-21	21-22	22-23									
Value	235	117	109	101									
Paper use (Note 4)	980 reams	<table border="1"> <tr><th>Year</th><td>19-20</td><td>20-21</td><td>21-22</td><td>22-23</td></tr> <tr><th>Value</th><td>980</td><td>9</td><td>16</td><td>43</td></tr> </table>	Year	19-20	20-21	21-22	22-23	Value	980	9	16	43	43 reams
Year	19-20	20-21	21-22	22-23									
Value	980	9	16	43									
Waste arising (Note 5)	11.5 tonnes	<table border="1"> <tr><th>Year</th><td>19-20</td><td>20-21</td><td>21-22</td><td>22-23</td></tr> <tr><th>Value</th><td>11.54</td><td>11.54</td><td>8.07</td><td>3.33</td></tr> </table>	Year	19-20	20-21	21-22	22-23	Value	11.54	11.54	8.07	3.33	3.3 tonnes
Year	19-20	20-21	21-22	22-23									
Value	11.54	11.54	8.07	3.33									
Waste to landfill (Note 6)	64%	<table border="1"> <tr><th>Year</th><td>19-20</td><td>20-21</td><td>21-22</td><td>22-23</td></tr> <tr><th>Value</th><td>64%</td><td>64%</td><td>4%</td><td>76%</td></tr> </table>	Year	19-20	20-21	21-22	22-23	Value	64%	64%	4%	76%	76%
Year	19-20	20-21	21-22	22-23									
Value	64%	64%	4%	76%									

02. Performance Analysis

Following the Greening Government Commitments, the areas measured have been changed to reflect the rules and fields that are now required. The Sustainability Reporting to DCMS and above are now aligned. Therefore, we no longer include our overseas offices and have restated 2021-22 figures to reflect this.

Rail travel is only UK based, but can include the Eurostar. Flights include all overseas trips made and not just those that start or end in the UK.

1. Greenhouse Gas emissions

The graph tracks the amount of greenhouse emissions from our use of gas, electricity and travel. The main area that fluctuates is travel as utilities are reasonably static. The BTA are a global organisation that requires travel to conduct its business.

2. Domestic and international business flights

The number of flights made decreased over the years of the pandemic. Although there were nearly as many flights in 2022-23 as in 2019-20, these were of a shorter distance.

3. Water use

Water use has reduced from the organisation moving to a hybrid office use policy.

4. Paper use

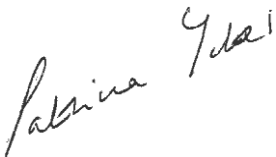
As per the water use, there has been a significant reduction in printing as the workforce has moved to home working, as well as becoming more digitally enabled to save down information electronically.

5. Waste arising

As we have moved to hybrid office working, less waste is created.

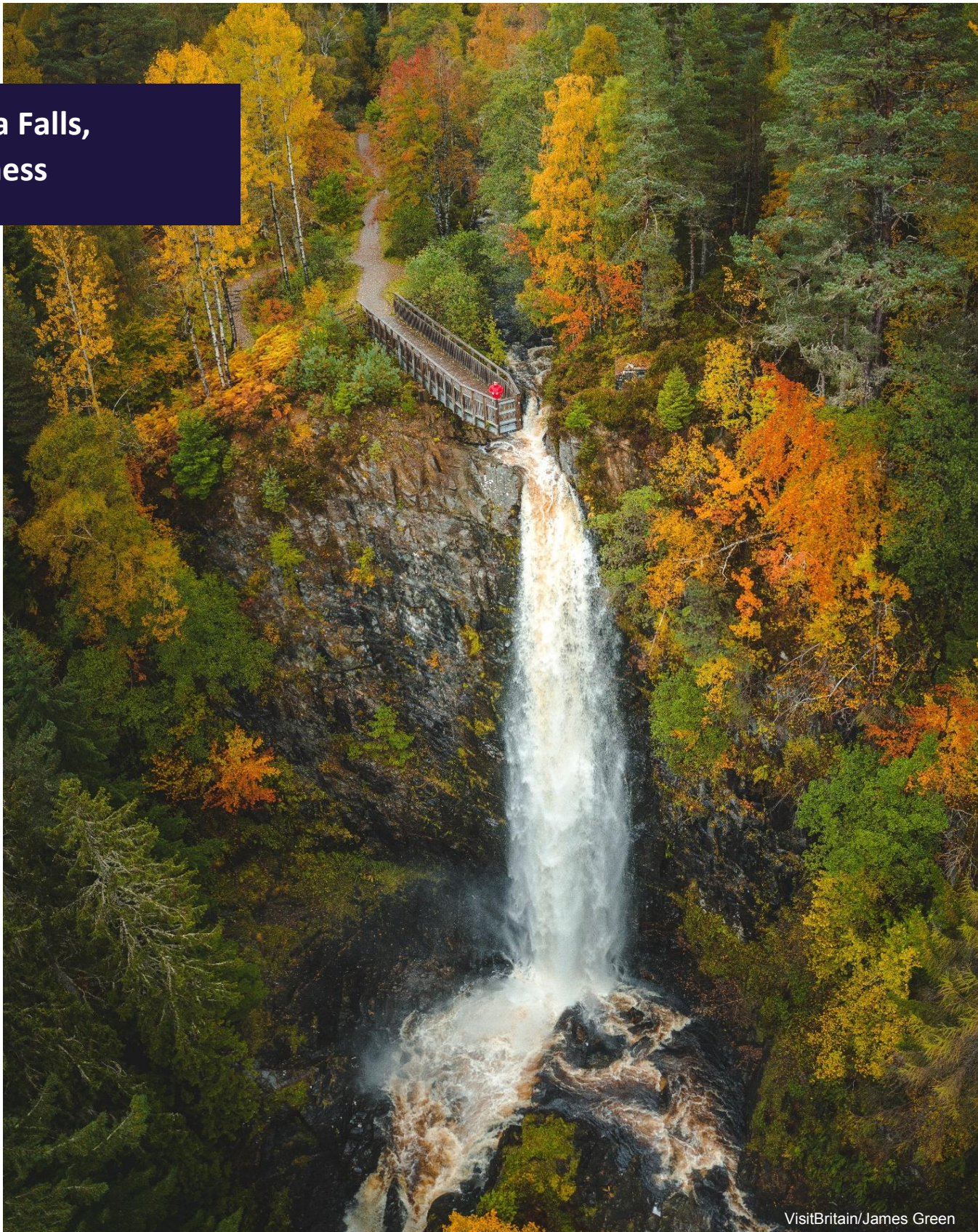
6. Waste to landfill

In changing where our office space is located, our waste collection provider has also changed. In prior years, more waste was incinerated if it was not recycled and did not go to landfill. Our waste now is sent to just landfill if not recycled, creating a higher percentage, even though the total tonnage has reduced.



Patricia Yates
Accounting Officer of the British Tourist Authority
5 July 2023

Plodda Falls,
Inverness



VisitBritain/James Green

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 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.

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 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.



Shutterstock/Alexey

03. Accountability Report

Board	
<ul style="list-style-type: none"> • Comprises a Chair and no more than 5 other members appointed by the Secretary of State for DCMS, 1 by the Welsh Assembly. The Chairs of the VisitEngland Advisory Board and Visit Scotland are ex-officio. • Nominees from London and Partners, the Northern Ireland Tourist Board, DCMS and Executive Directors attend meetings by invitation as observers, but are not Board members. • UK Board Apprenticeship Scheme (January to December 2023): 1 Apprentice observer • Met 6 times in 2022-23 • Maintains accountability for delivery of all activity on British and English tourism ensuring that it fulfils its role under the Development of Tourism Act 1969 • Maintains both VisitBritain and VisitEngland brands. • Establishes the strategic direction of VisitBritain and VisitEngland and monitoring performance against these targets. • Consults with the VisitEngland Advisory Board for advice on English tourism matters. • Ensures that high standards of corporate governance are observed at all times. • The Chair is accountable to the Secretary of State for DCMS 	
VisitEngland Advisory Board (VEAB)	
<ul style="list-style-type: none"> • Comprises a Chair and no more than 6 other members all of whom are appointed by the Secretary of State for DCMS • Nominees from DCMS and Executive Directors attend meetings by invitation, but are not members • UK Board Apprenticeship Scheme (January to December 2023): 1 Apprentice observer. • Met 5 times in 2022-23 • Advises the Executive and Board on the development and implementation of VisitEngland priorities • Legally accountable to the Board and Accounting Officer of BTA who exercise their responsibilities through a Governance framework put in place in 2016 • Does not receive any income directly from the Exchequer or from any other source. All costs are met from BTA's resources. 	
Remuneration and People Performance Committee (RPC)	Audit and Risk Committee (ARC)
<ul style="list-style-type: none"> • 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 2022-23 • Provide strategic oversight of related matters, to include; Staff skills and development; Staff remuneration and performance management; Workforce planning, culture and organisational design; Diversity, equality and inclusion; Compliance with workforce related policies; and, Organisational transformation capabilities 	<ul style="list-style-type: none"> • Comprises up to 5 members; 3 from BTA Board and 1 from 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 2022-23 • Provide objective advice on issues concerning the risk, control and governance of BTA and associated assurances provided by internal and external audit and other processes • Constructively challenge internal and financial controls to enable the organisation to achieve its objectives ensuring procurement, projects and processes are systematically evaluated to provide confidence about suitability, effectiveness, prudence, quality, good value judged for the Exchequer as a whole.
Executive Directors	
<ul style="list-style-type: none"> • Manage the day to day operations of the organisation 	

03. Accountability Report

Our Board

The Board is fully compliant with relevant principles around governance best practice for public service and charitable bodies as set out in the Corporate governance in central government departments: Code of good practice 2017.

The BTA Board is led by the Chair. During the year, Dame Judith Macgregor was interim Chair from August 2021 to October 2022, and then, following a campaign to source a permanent Chair, Nick de Bois CBE was appointed in November 2022 for a period of three years. Robin Frewer's appointment was ended by DCMS in October 2022 and Carol Hui resigned in January 2023 (effective from the end of June 2023). A campaign for these two vacancies was launched on 14th March 2023.

In addition, we joined the UK Boardroom Apprentice Scheme 2023 whereby Rodrigo Voss was selected to observe this Board for a period of one year.

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.

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 the option, subject to DCMS approval, to serve up to 2 further terms

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.

03. Accountability Report

Board Member	2022-23 Meeting Attendance	Term of Appointment	Committee (where applicable)
Nick de Bois CBE (Chair)	5/5	Nov 2022 to Nov 2025 <i>(VEAB Chair June 2020 to November 22)</i>	Audit and Risk; Remuneration and People Performance from October 2022
Dame Judith Macgregor DCMG LVO	5/5	Dec 2017 to Mar 2025 <i>(Interim Chair Aug 2021 to November 2022)</i>	Remuneration and People Performance
Fiona Pollard	2/3	November 2022 to July 2023	Interim Chair VEAB Remuneration and People Performance
Carol Hui	4/5	Jan 2020 to Jan 2025 <i>(resigned in Jan 2023, effective 30 June 2023)</i>	Chair of Audit and Risk
Peter Gowers	4/5	Jan 2020 to Jan 2025	Audit and Risk
Karin Sheppard	5/5	Jan 2020 to Jan 2025	Remuneration and People Performance
Robin Frewer	0	Jan 2020 to October 2022	Remuneration and People Performance
Ian Edwards	5/5	Dec 2019 to Dec 2024	-
Rt Hon. the Viscount Thurso	5/5	Apr 2016 to Mar 2024	-

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

Funding and budget	Approval of the 2023-24 Budget.
2022 to 2025 Strategy Development	Agreed corporate priorities for 2022-23 Held a 2-day joint strategy review with the VEAB board
Corporate Risk	Annual review and approval of risk appetite, risk management policy and risk measurement. Undertook deep dives on key risks for the organisation in 2022-23 including The Americas, Europe, GREAT marketing, commercial strategy and transformation.
Performance Progress reports (see 'Data used by the Board' below)	Industry performance data Review and agreement of inbound tourism forecast for 2023 Review of progress against corporate priorities Regular reports on financial position and forecasts Reports from sub-committees and VisitEngland Advisory Board
Annual Report and Accounts	Approval of the 2021-22 Annual Report and Accounts

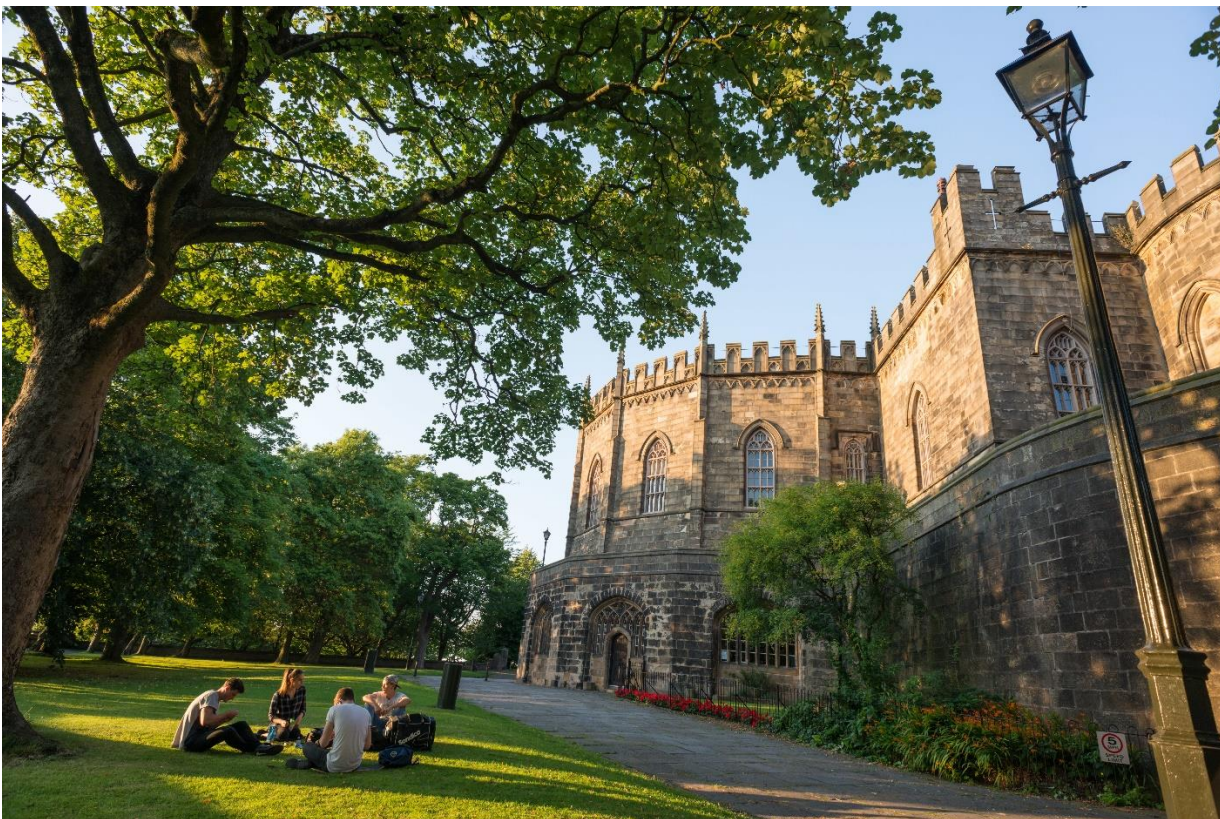
03. Accountability Report

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



Marketing Lancashire

03. Accountability Report

VisitEngland Advisory Board (VEAB)

The BTA Board receives advice on English tourism matters from the VEAB. During the year, Nick de Bois CBE was Chair until November 2022 and, following his appointment as Chair of the BTA, Fiona Pollard was appointed as interim Chair for a period of 9 months. A campaign to appoint a permanent Chair was launched in March 2023.

In addition, we joined the UK Boardroom Apprentice Scheme 2023 whereby Andrew Huggins was selected to observe this Board for a period of one year.

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	2022-23 Meeting Attendance	Term of Appointment	Committee (where applicable)
Nick de Bois CBE	3/3	June 2020 to Nov 2022	
Fiona Pollard	5/5	Mar 2018 to Mar 2026 (Interim Chair Nov 2022 to July 2023)	Remuneration and People Performance (Chair: August 2021 to November 2022)
Allan Lambert	5/5	Mar 2018 to Mar 2026	
Dr Andy Wood OBE DL	3/5	Jan 2020 to Jan 2025	
Nadine Thomson	3/5	Jan 2020 to Jan 2025	
Sarah Fowler	5/5	Jan 2020 to Jan 2025	
Nigel Wilkinson MBE	3/3	Aug 2022 to Aug 2027	Audit and Risk Committee

Key areas which VEAB focused on during the year were:

Marketing	Delivery of campaigns and digital content, including English Tourism Week, North East Sprint, and accessibility campaigns including the North York Moors pilot project.
Strategy	Review of progress against VisitEngland strategic priorities. Oversaw the de Bois DMO review implementation, Commissioned deep dives into transformation and organisational design, sustainability and England consumer brand development
TXGB	A deep dive review of the contract and performance of TXGB
Partnerships	Maintained and developed strategic partnerships

03. Accountability Report

Committee Activity

The Audit and Risk Committee and the Remuneration and People Performance Committee review and consider any

Audit and Risk Committee (ARC)

Areas of Focus
Review of the corporate risk registers and an annual review of the organisation's risk appetite
Held closed sessions with Internal and External auditors
Review of internal audit reports on Ransomware Readiness, HR Policies and Procedures and Payroll, plus monitoring of progress of recommendations
Receive regular reports from external auditors who attend every meeting
Review register of policies with specific focus on relevant policies within the ARC remit.
Annual review of the assurance map and agreement of 2023-24 compliance programme
Reviewing progress against the compliance work programme with a focus on achieving the cyber security accreditation
Review of 2021-22 Annual Report and Accounts prior to submission to the Board
An ARC Effectiveness Review was undertaken over February and March 2023
Held deep dive session on Government's Functional Standards, and BTA's offices in overseas territories

Attendance	
Member	2022-23
Carol Hui (Chair)	4/4
Peter Gowers	4/4
Nick de Bois CBE	3/4
Nigel Wilkinson MBE <i>Appointed November 2022</i>	2/2
Tim Hurdle <i>Independent member</i>	4/4

governance matters, within their Terms of Reference, or as referred to them by the Board.

Remuneration and People Performance Committee (RPC)

Areas of Focus
Review of annual remuneration levels including pay remit
HR Policy review including policies on remote and flexible working
Compliance with standards and processes
Review of staff performance, wellbeing and development
Review of progress on the People Strategy
Policies on remote and flexible working
Diversity and Inclusion and Recruitment and Retention
Review of the US pension scheme
Oversight of the Global Estate Strategy

Attendance	
Member	2022-23
Dame Judith Macgregor DCMG <i>LVO RPC Chair from Nov 2022</i>	4/4
Nick de Bois CBE <i>From October 2022</i>	1/2
Fiona Pollard <i>Chair from August 2021 to Nov 2022</i>	4/4
Karin Sheppard	4/4
Robin Frewer <i>Appointment terminated October 2022</i>	0/2

03. Accountability Report

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: <https://www.visitbritain.org/board-meetings-committees>.

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 2022-23 there was no 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. A revised structure for the Executive Directors was announced in August 2022 and came into effect in January 2023. The Executive Directors serving between January and March 2023 are shown below.



SAUL BATZOFIN
Interim Director of
Transformation



ROBIN JOHNSON
Global Marketing
Director



SERENA JACOBS
Director of Finance



ANDREW STOKES
VisitEngland, TXGB &
Retail Director



PATRICIA YATES
Chief Executive Officer



DEBRA LANG
Director of HR &
Professional
Services



LOUISE BRYCE
Interim
Partnerships
Director



GAVIN LANDRY
International
Director

03. Accountability Report

The table below shows the members and roles of the Executive team who served from April to December 2022 and then in January 2023 when the new Director structure came into effect.

	April to December 2022	January to March 2023
Patricia Yates	Chief Executive Officer	
Robin Johnson	Interim Marketing Director	Global Marketing Director
Gavin Landry	Americas Director	International Director
Andrew Stokes	VisitEngland, TXGB and Retail Director	
Tricia Warwick	APMEA Director	
Clare Mullin	Interim Transformation Director	
Debra Lang	Director of HR and Professional Services	
Serena Jacobs	Director of Finance	
Gary Robson	Interim Europe Director	
Shivah Jahangir-Tafreshi	Interim Strategy and Communications Director	
Louise Bryce		Interim Partnerships Director
Saul Batzofin		Interim Transformation Director

Notes

- Sally Balcombe was Chief Executive Officer from September 2014 to 8th April 2022
- Patricia Yates was appointed Interim CEO on 8th April 2022 and was appointed permanent CEO in June 2022
- Robin Johnson has been a Director since April 2015
- Gavin Landry started this role as Americas Director in August 2017
- Andrew Stokes started his role as England Director in February 2016
- Tricia Warwick was APMEA Director from August 2017 to October 2022
- Clare Mullin was Marketing Director from January 2017 and Interim Transformation Director from April to December 2022
- Debra Lang was appointed Professional Services Director in January 2020
- Serena Jacobs was appointed Director of Finance in November 2021
- Louise Bryce was appointed Interim Partnerships Director on 16 January 2023
- Saul Batzofin was appointed Interim Transformation Director on 10 January 2023
- Shivah Jahangir-Tafreshi was Strategy and Communications Director from 11 April 2022 to 15 January 2023.

Other Governance Groups

There are five 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 and longer

03. Accountability Report

term discussion. The individual support level provides oversight over delivery and resolves operational or 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 and Business Planning Champions.

Building our Future Board	People Board	Compliance and Risk Committee	Information Governance Steering Group	GREAT Board
Provide programme leadership, specifically agree and monitor organisation wide outcomes and benefits realisation.	Covers people and places – implement the People Strategy, HR transformation and IT and estates strategy.	Monitor assurance and risk across the organisation and provide a forum for discussion of compliance issues.	Provide approvals, governance and a forum for discussion, over IT, digital and data initiatives.	Provide governance and guidance for the planning, implementation, evaluation, reporting, and communication of GREAT-funded activity.
Supported by multiple Programme and Project Boards , providing oversight over their programme/project and responsible for the delivery of outputs and outcomes, and day-to-day governance, finances, and risk management.				
Programme and project teams, work streams and delivery teams who deliver				
Other supporting groups: Staff welfare network, Diversity and Inclusion networks, Communication and procurement champions, first aiders, change agent network				

Risk Management and Internal Controls

Internal controls

BTA's system of internal controls is 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 2022-23 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 small 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 Risks and Challenges section on page 22.

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 57).

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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 overall risk appetite for the organisation was confirmed 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.

The review by Audit and Risk Committee and the Board in March 2023 updated the application of risk appetite for the organisation.

The table below shows the levels of risk appetite and how we apply some particular circumstances to this.

Ambitious	<ul style="list-style-type: none"> • In our marketing campaigns with support from GREAT, Cabinet Office and the Sales and Marketing Advisory Board
Open	<ul style="list-style-type: none"> • Overall risk appetite • Considerations and decisions to balance between high likelihood of success and high level of residual risk
Cautious	<ul style="list-style-type: none"> • Spending in order to maximise the use of resources and minimise underspends • Contract management for critical and high risk 'Gold' level contracts • Compliant risk-based approach to procurement routes to market
Averse	<ul style="list-style-type: none"> • Data, personal, systems and physical security • Situations that affect the reputation and the credibility of the organisation or its staff. • Areas that are novel, contentious and repercussive
Avoid	<ul style="list-style-type: none"> • Exceeding funding allocation • Personal misconduct

Risks are measured using a 5x5 methodology for impact and likelihood as set out in our Risk management policy. This ensures we are assessing our risks in a consistent way and we focus on the most significant risks to the organisation. This methodology applied to all levels of risk registers from the corporate level down to teams and projects.

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 director and heads of department reviews of operational risks and escalating risks that 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.

The Executive Directors and Board undertook a **Risk Horizon Scanning** exercise during the year in the context of the organisation's

03. Accountability Report

strategic objectives and the Great Britain and England visitor economy. Three-time horizons were used being short term (1 or 2 years), medium term (2 to 5 years) and long term (5 to 10 years).

















Six themes emerged with risks, mitigations and opportunities for each as shown in the table below.

	Risks	Mitigations	Opportunities
Financial Uncertainty Short and Medium Term	BTA funding cuts or collapse; Change in consumer and traveller behaviour.	Agility; Target the right audience; Commercial ambition; Awareness education and advocacy to government of our role.	Drop in the value of the pound; Increased domestic travel.
Sustainability Medium and Long Term	Virtual travel; outperformed by competition.	Internal sustainability lead.	Domestic; closer markets; our role as steward.
Consumer Behaviour Medium and Long Term	Loss of key segments and drop in visitor demand for Britain.	Research to understand shifts; marketing targeted to the right market.	New markets and segments for Britain.
Technology Short to Long Term	Keeping pace and upskilling.	Transformation programme.	New marketing possibilities.
International Politics Short and Medium Term	Loss of key markets.	Agility; investment in the right markets.	New relationships (e.g. Europe, US, Republic of Ireland).
Short Term Events (Coronation; Eurovision; Major events in nearby countries)	Spotlight on UK; achieving incremental growth.		Spotlight on UK; Achieving incrementality. Target Olympics and Rugby World Cup in France as a dual destination.





As at the end of March 2023 there were ten strategic risks being managed, only one had a very high residual risk post mitigation. Five risks had achieved their target by the end of March 2023. Two risks were removed from the risk register, one related to changes in the CEO and Chair leadership and second was a specific risk regarding the digital transformation programme.

Set out on the next page are the strategic risks within the control of BTA we managed throughout the year, the mitigating actions to manage them, their risk assessment and risk movement as at end March 2023.

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KEY		
Residual Risk level as at March 2023		
High 	Medium 	Low 
Risk movement from April 2022 to March 2023		
Increase 	Decrease 	No Change 
Risk description	Key Controls and activities to manage risk	
<p>Reliance on Government Grant-in-Aid and GREAT funding, and is thus very sensitive to reductions and/or uncertainties</p> <p> </p>	<ul style="list-style-type: none"> Regular engagement with DCMS policy and finance teams, continuing to make a compelling case for tourism to rebuild and recover the visitor economy Reporting to DCMS on delivery against key performance measures Research support to measure the value of the visitor economy and evidence of the impact of marketing campaigns Exploring commercial opportunities 	
<p>Commercial ambitions are not realised limiting the organisations ability to generate additional income</p> <p> </p>	<ul style="list-style-type: none"> Commercial proposals developed and agreed by Board with targets set Internal working group prioritising opportunities Strong communication programme with key stakeholders Internal audit advisory reviewed approach and compliance with regulation and governing documents 	
<p>Cabinet Office (CO) do not give Marketing spend approval or do not approve in a timely manner delaying ability to activate marketing activity</p> <p> </p>	<ul style="list-style-type: none"> Continuous engagement with DCMS and Cabinet Office, exploring options to achieve 2022-23 approvals particularly for core marketing activity Significant reduction in risk when 2023-24 approvals were received in January 2023 	
<p>Transformation Programme takes longer to deliver than expected meaning that the budget available in the early years is not used effectively putting pressure on funding in later years of the spending review period.</p> <p> </p>	<ul style="list-style-type: none"> Transformation Director in place with programme governance in operation Change management expertise and practices embedded within the project delivery teams Independent assurance from Internal Auditors Communication and people plan 	
<p>Gap in strategic technology infrastructure with no appropriate and fit for purpose technology operating model, will impede the delivery of the transformation programme particularly digital and data transformation projects.</p> <p> </p>	<ul style="list-style-type: none"> Part-time Chief Information Officer in place Target operating model agreed and implementation has started. 	

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Risk description	Key Controls and activities to manage risk
<p>BTA is required to relocate operations outside London from 2024. The risk is that BTA do not have a plan in place by 31 March 2023 as required by DCMS leading to reputational damage and the potential to be allocated unsuitable accommodation.</p> <p> </p>	<ul style="list-style-type: none"> • Estates strategy agreed by Remuneration and People Committee (RPC) in January 2022 • Implemented hybrid working • Advertising roles with a flexible location • Agreed shortlist of 2 locations with RPC • Develop robust case for DCMS and Places for Growth • Implementation and transition plan in development
<p>Expectations of BTA in leading and being the authority on sustainability for tourism are not met leading to reputational damage.</p> <p> </p>	<ul style="list-style-type: none"> • External and internal sustainability white paper published • Recruitment of sustainability lead

Fraud and personal data related incidents

BTA suffered no fraud losses during 2022-23. BTA has in place a Counter Fraud, Bribery and Corruption Policy following the Government Functional Standard on Fraud (GovS013: Counter Fraud).

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

During the year Audit and Risk Committee undertook a review of compliance against the Government Functional Standards. A deep dive of the compliance assessment for each of the Standards was undertaken in September 2022 followed in November by an assessment of the Standards categorised against the three lines of defence. The Committee took assurance from these reviews that the organisation was compliant with the Standards as applicable to the organisation's business.

Russian sanctions compliance

During 2021-22 we undertook a number of actions in light of the sanctions imposed on Russia. In 2022-23 we took the additional step of closing the office in Moscow. We have:

- Ceased all marketing activity
- Closed the Moscow office in 2022-23
- Checked all payments to Russian bank accounts and that payments against Russian activity were not on the sanctions list
- In 2021-22 reviewed all of our contracts in line with the Procurement Policy Notice 200122: Contracts with suppliers from Russia and Belarus and found no evidence of any links to a designated person or organisation
- Checked the sanctions list for all new contracts greater than £25k

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

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audit work was carried out to professional standards the Government Internal Audit Agency (GIAA) informed by our risk registers, and an assessment of assurance requirements. They also fulfil the role of Head of Internal Audit.

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. In addition, both the National Audit Office and DCMS finance attend every ARC meeting and are given the opportunity to raise issues and make observations and comments. This provides the Committee with further independent assurance.

The internal audit programme for the year covered HR policies and procedures, payroll, and digital transformation well as follow ups on ransomware and prior year audit recommendations. There was an advisory review relating to our commercial ambitions.

GIAA 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.

During the year there was one high priority (2021-22: 6) significant weaknesses identified within the HR policies and procedures review. 11 medium priority (2021-22: 14) and 9 low priority (2021-22: 11) recommendations were made during the year across the audit areas. 37 pre-April 2022 recommendations were closed during the year leaving 5 medium priority and 6 low priority recommendations as at 31 March 2023 to be cleared.

The internal audit and the internal compliance programme for 2023-24 was agreed by the Audit and Risk Committee in March 2023. The annual review of the assurance map showed another year of improving assurance levels. There were no RED classified areas at the end of March 2022 or 2023 with the number of Amber areas reducing by 60% from March 2022 to March 2023.

Financial Governance

Cash management

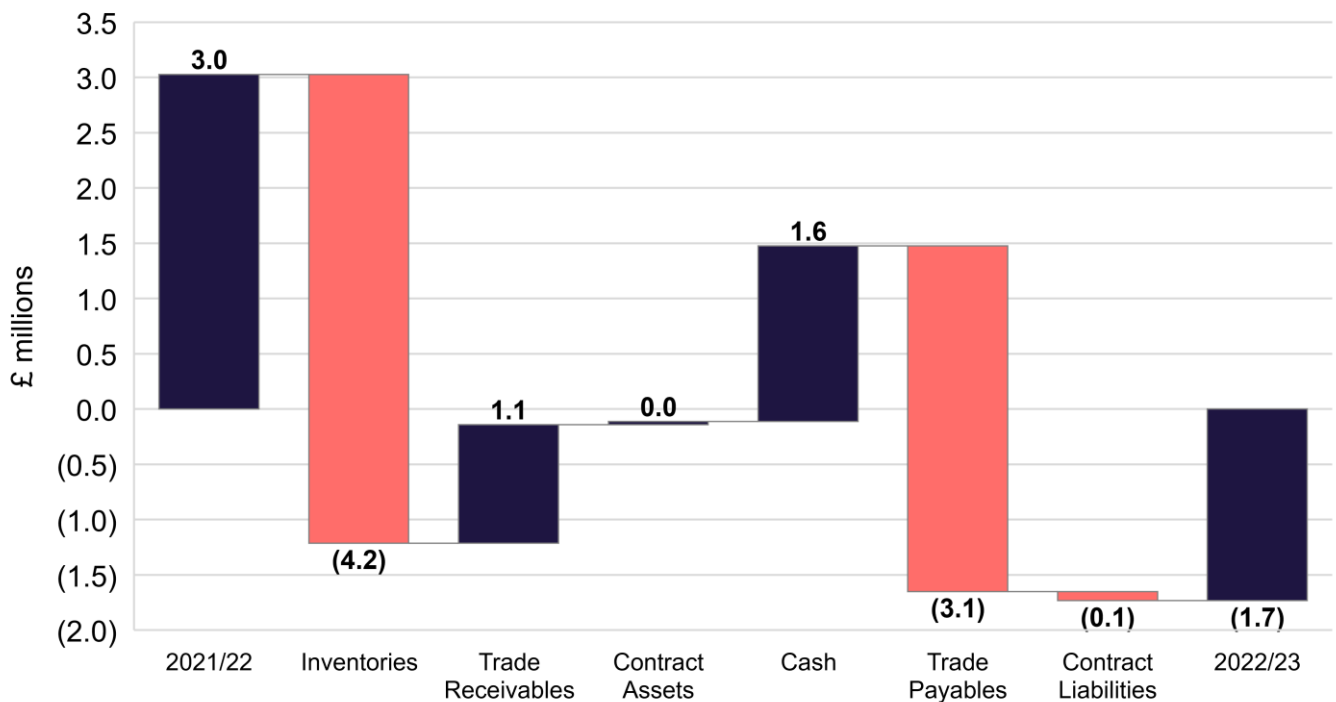
Our cash balance at year end was £7.2 million (2021-22: £5.6 million). Grant-in-Aid was drawn down to cover the anticipated invoices for the marketing campaign launched in February 2023, however fewer invoices than anticipated were received and paid by the end of March. This is reflected in the higher accruals balance of £8.9 million (2021-22: £4.8 million).

We hedge 75% of our known 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 2022.

Equity

Total Taxpayer Equity is a £3.2 million surplus (2021-22: £4.8 million) made up of the pension reserve surplus of £2.6 million (2021-22: £0.5 million), general reserve surplus of £0.4m (2021-22: £4.3 million surplus), and a revaluation reserve of £0.2m (2021-22: £nil). BTA has an unconditional right to a refund under the pension scheme's rules and can therefore recognise surplus assets in full on the balance sheet under IAS 19.

Working capital



During the year the organisation took active measures to reduce inventory balances and free up working capital

Working capital decreased year on year by £4.7 million from £3.0 million in 2021-22 to negative working capital of £1.7 million at 31 March 2023 due to:

- Reduction in inventories of VB Shop stock by £4.2 million due to a conscious effort to scale down the amount of stock, holding only 13 weeks.
- Cash balances increased by £1.6 million due to drawdown of cash in anticipation of marketing activity invoices in March 2023 which did not materialise until after the end of March.
- £3.1 million increase in trade payables and accruals as a result of increased activity in the final quarter, the costs of which did not fall due until April 2023.
- £1.1 million increase in trade receivables as a result of prepaid activity for 2023-24.

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 £2.6 million (2021-22: £0.5 million). This includes the unfunded pension liability of £96k (2021-22: £107k) for pension payments to former Chairs. The UK scheme defined benefit surplus was £2.2 million (2021-22: £53k) and the US scheme net pension asset was £0.4 million (2021-22: £0.5 million).

The increases in the discount and inflation rate financial assumptions used in the IAS 19 valuation calculation for the UK scheme

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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 31 March 2020 and indicated a deficit of £1.1 million. The advice received from the independent actuarial advisers 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 December 2022 PWC were appointed as new advisers to the UK pension scheme following a competitive tender. A governance review was undertaken and the findings shared in early April 2023 and the recommendations are being considered.

Our advisers will work with us to support the triennial valuation as at 31 March 2023. The results of this valuation are expected by the end of 2023.

In early 2022 a review of the US pension scheme commenced which included a triennial actuarial valuation as at 1 January 2022. This valuation indicated a surplus of £1.0 million. The future of the US scheme is subject to the outcomes from the on-going review which should be known during 2023-24.

Contributions of pension schemes and further information and disclosures as required by IAS 19 are detailed in note 23 to 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 £83,000 (2021-22: £80,500), 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.

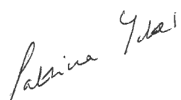
Supplier payments

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 2022-23, 63% (2021-22: 68%) of suppliers' invoices not in dispute were settled within these parameters. Whilst 90% of invoices were paid within 30 days (2021-22: 89%).

Foreign exchange gains and losses

In 2022-23 foreign exchange gains arose of £53k (2021-22: loss of £17k). Losses decreased from the prior year due to different levels of activity overseas in the final quarter of the financial year.



Patricia Yates

Accounting Officer of the British Tourist Authority

5 July 2023

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 Culture, Media and Sport (DCMS), staff conditions of service and its pay award scheme, must be approved by DCMS. The arrangements for the Chief Executive are slightly different but the same principles apply.

During the year there was a consolidated pay award of 2.4% (2021-22: 0%) in line with 2022-23 Civil Service Pay Remit guidance. However, a non-consolidated performance-related payment of 2.66% (2021-22: 3.6%) of base salaries (pro-rata for anyone joining the organisation after 31 March 2022) was made with approval from DCMS to those staff in post in February 2023.

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 24 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

Reporting bodies are required to disclose various relationships between the remuneration of the highest-paid director in their organisation and the pay and benefits of employees on the 25th (lower quartile) percentile, 50th (median) percentile and 75th (upper quartile) percentile for the financial year.

The table below shows the percentage change from 2021-22 of Salary and Bonus (non-consolidated performance-related payment) of the highest paid director and the average percentage change from 2021-22 of Salary and Bonus for all employees, excluding the highest paid Director. The increase in absolute terms for salary and bonus is the result of increased staff numbers, and a pay increase for staff. As the non-consolidated payment is based on staff salary, the increase in staff salaries year on year and higher foreign currency costs increased the staff non-consolidated payment value.

Subject to audit	Highest paid Director ⁷	All employees
Salary	-16%	+5%
Bonus (non-consolidated payment)	-23.8%	+11.36%

⁷ The highest paid director for majority of the year was Patricia Yates who was appointed as interim CEO in April 2022 and later in the year as permanent CEO. The salary of Patricia Yates was lower than the highest paid director in 2021-22 who was Sally Balcombe. Sally Balcombe left the organisation in early April 2022.

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The pay ratios between the highest paid director and the 25th, median and 75th percentiles of employees for total remuneration are shown below. Total remuneration includes salary, non-consolidated performance-related pay and benefits-in-kind. It does not include severance payments, employer pension contributions and the cash equivalent transfer value of pensions. The banded total

remuneration of the highest-paid Director in the financial year 2022-23 was £155k-£160k (2021-22: £185k- £190k). The ratio of remuneration is based on all UK and overseas staff including agency workers filling full time roles and contractors. No employees were paid more than the highest paid Director. The remuneration of the lowest paid employee was £12k (2021-22: £12k).

Subject to audit			
	25th percentile	Median	75th percentile
2022-23			
Ratios	4.4 : 1	3.3 : 1	2.4 : 1
Total Pay	£36.4k	£48.6k	£66.9k
Salary and Benefits	£35.3k	£46.8k	£63.9k
2021-22			
Ratios	5.7 : 1	4.3 : 1	3.0 : 1
Total Pay	£33.1k	£43.5k	£61.6k
Salary and Benefits	£32.0k	£42.0k	£59.6k

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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 page

46. 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.

Subject to audit			
		2022-23	2021-22
		£'000	£'000
Chair			
Nick de Bois CBE (Chair)		25-30	15-20
Rt Hon. the Lord McLoughlin CH <i>Resigned July 2021</i>		-	10-15
Dame Judith MacGregor DCMG LVO <i>From August 2021</i>		25-30	25-30
Pension to former Chairs		10-16	10-15
Members			
Rt Hon. the Viscount Thurso		-	-
Carol Hui		0-5	0-5
Peter Gowers		0-5	0-5
Karin Sheppard		0-5	0-5
Robin Frewer <i>until October 2022</i>		0-5	0-5
Ian Edwards		0-5	0-5
VEAB			
Fiona Pollard		5-10	0-5
Allan Lambert		0-5	0-5
Dr Andy Wood OBE DL		0-5	0-5
Nadine Thomson		0-5	0-5
Sarah Fowler		0-5	0-5
Nigel Wilkinson MBE		0-5	-
Nigel Halkes <i>Term ended January 2022</i>		-	5-10

03. Accountability Report

Executive remuneration

Salary includes gross salary, performance pay and any other allowances to the extent that they are subject to UK taxation. In 2022-23 Directors received a consolidated pay award of 2.4%. In 2021-22 Directors did not receive any consolidated pay award.

A non-consolidated performance-related payment of £5,000 (2021-22: 3.6%) of base salaries 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 2023.

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.

Appointment dates of Directors are disclosed in the Governance Statement on page 52.

	Salary	Bonus	Benefits in kind	Accrued Pension Benefits	Subject to audit Total Remuneration
	£'000	£'000	Nearest £100	£'000	£'000
2022-23					
Sally Balcombe <i>FYE</i>	5-10 180-185	-	-	-	9 180-185
Patricia Yates	150-155	0-5	-	-	161
Robin Johnson	115-120	0-5	-	-	122
Gavin Landry	130-135	0-5	-	8	146
Debra Lang	120-125	0-5	-	-	127
Clare Mullin	125-130	0-5	-	-	133
Andrew Stokes	115-120	0-5	-	-	124
Tricia Warwick ¹ <i>FYE</i>	155-160 135-140	-	10,100 18,000	-	168 157
Serena Jacobs	115-120	0-5	-	-	122
Saul Batzofin ² <i>FYE</i>	25-30 100-105	-	-	-	25 102
Louise Bryce ² <i>FYE</i>	15-20 90-95	-	-	-	16 92
Shivah Jahangir-Tafreshi ³ <i>FYE</i>	90-95 95-100	0-5	-	-	92 96

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					Subject to audit
	Salary	Bonus	Benefits in kind	Accrued Pension Benefits	Total Remuneration
	£'000	£'000	Nearest £100	£'000	£'000
2021-22					
Sally Balcombe	180-185	5-10	-	-	189
Patricia Yates	125-130	0-5	-	-	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	60-65	-	-	-	64
<i>FYE Equivalent</i>	115-120	-	-	-	115-120
Tim Pemberton ⁴	5-10	-	-	-	9
<i>FYE Equivalent</i>	100-105	-	-	-	100-105
Serena Jacobs	45-50	0-5	-	-	47
<i>FYE Equivalent</i>	115-120	-	-	-	115-120

Notes:

- Benefits in kind paid to Tricia Warwick include transport, housing and medical allowances. The payment of some of these benefits is mandatory in the United Arab Emirates. During the year 2022-23 Tricia Warwick received a payment for compensation for loss of office amounting to £37k. This is included in salary but not in Full Year Equivalent (FYE) figures.
- Saul Batzofin and Louise Bryce received a bonus but not during their tenure as a Director. The period for which they have been acting Directors is shown on page 52.
- The period for which Shivah Jahangir-Tafreshi was a Director is shown on page 52.
- Tim Pemberton was Interim Director of Finance from 1 October to 7 November 2021.

Pension benefits

						Subject to audit
	Accrued pension as at 31/3/22	At retirement age		CETV as at 31/3/22	CETV as at 31/3/23	Real increase in CETV ³
		Accrued pension as at 31/3/23	Real increase in pension at 31/3/23			
		£'000	£'000	£'000	£'000	£'000
Sally Balcombe ¹	15-20	-	n/a	424	n/a	n/a
Patricia Yates ²	25-30	25-30	n/a	n/a	n/a	n/a
Robin Johnson	25-30	30-35	0-2.5	587	301	(346)
Clare Mullin	5-10	5-10	0-2.5	136	79	(71)
Andrew Stokes	5-10	5-10	0-2.5	189	143	(66)

¹Sally Balcombe transferred out benefits in January 2023.

²Patricia Yates is making pension drawings therefore CETV is no longer relevant.

³Taking account of inflation, the CETV funded by the employer has decreased in real terms.

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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.

CETV figures are calculated using the guidance on discount rates for calculating unfunded public service pension contribution rates that was extant at 31 March 2023. HM Treasury published updated guidance on 27 April 2023; this guidance will be used in the calculation of 2023-24 CETV figures.

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 and which has delivered over 28 projects since then. This year we have diversified the strategy to encompass Estates, HR Transformation and Organisational Design including culture. This work maintains the organisation's four strategy goals:

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

The change agents are now successfully embedded supporting all elements of change throughout the organisation and three change managers now operate to lead the change agenda. 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 upcoming transformation and change initiatives.

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 with our change agents. This was implemented globally across the Company in September 2021. We reviewed its operation in January 2022 and the majority of staff liked the flexibility to work both in the office and remotely. In 2023 we are reviewing our Hybrid working policy to ensure it remains relevant and suitable for both staff and future estates plans.

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 and 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 and Ethnic Equality, Disability and Accessibility, Fair Treatment, Gender Parity, Religion and Faith, Parents' Networking and Youth Engagement.

Our Wellbeing Champions created and promoted resources to mark World Mental Health Day and hosted a wellbeing day

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focussing on mental health. We have a 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 was formed to progress a mentoring initiative which we rolled out during the first quarter of 2022-23. Due to the popularity and success of the programme, a further roll out is currently being planned to include reverse mentoring in addition to the already established mentoring programme.

This popular programme is developing emerging leaders, improving staff retention, and building productive relationships between staff in different departments, regions and seniority.

Learning and Development

A number of learning and development initiatives are in place which include the access to Civil Service Learning for all staff and an induction programme with video introductions making it easier for new starters to learn about the organisation.

We also have LEAP our Learning Education and 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 inclusivity and diversity, importance of mentoring and positive meetings culture.

Staff engagement

The staff engagement survey was undertaken during the year. The results for 2022 are down in a number of areas on 2021. However, it has been noted that in 2021 we saw exceptional results, with satisfaction across almost every section seeing an improvement on 2020, due to VisitBritain's response COVID-19. When comparing 2022 to 2020, most areas have seen an increase.

The employee engagement index for 2022 dipped by 1% to 66% from 2021, although this still slightly exceeds the Civil Service People Survey (CSPS) benchmark, (66% compared to 63%).

"My work" and "Collaboration" saw the greatest increases, whilst the largest declines were to "Pay and Benefits", "Learning and development" and "Taking Action".

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

Employee plans for future remain broadly similar to what they were last year, with 57% 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 and culture but believe we could improve Pay, Decision making and Communication.

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Staff Costs, Numbers and Composition

	2022-23			Subject to audit 2021-22		
	UK	Overseas	Total	UK	Overseas	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Wages and Salaries	9,346	4,727	14,073	8,580	4,644	13,224
Social security costs	1,158	726	1,884	961	742	1,703
Pension costs	1,177	91	1,268	1,097	97	1,194
Total permanent and fixed term staff	11,681	5,545	17,225	10,638	5,483	16,121
Agency Staff	349	5	354	258	138	396
Total Staff Costs	12,030	5,549	17,579	10,896	5,621	16,517

The average number of staff employed during the year audited was 276 (2021-22: 258) of which 203 (2021-22: 193) were UK-based permanent staff with 10 full time equivalent (2021-22: 13) agency staff. As at 31 March 2023 the senior Executive team comprised 4 women and 4 men (2021-22: 6 women and 3 men). Women currently make up 70% of our workforce (2021-22: 71%). Excluding directors there were 185 women and 83 men as at 31 March 2022 (2021-22: 185 women and 75 men).

Exit packages

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 Boards' Staff Pension and Life Assurance Scheme. No ex gratia payments were made.

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Subject to audit			
Exit Packages			
Cost band	Number of compulsory redundancies	Number of other departures agreed	Total number of exit packages
2022-23			
£25,000 - £50,000	1	-	1
£50,000 - £100,000	1	-	1
Value of exit packages	£107,000		
2021-22			
No exit packages			

Consultancy expenditure

There was £1 million of consultancy expenditure for the year ending 31 March 2022 (2021-22: £94,000), primarily relating to work on our transformation projects

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 2023 earning more than £245 per day was 15 (31 March 2022: 13). The required assurances and confirmations that the right amount of tax has been paid have been obtained for all off-payroll engagements. There were 2 (2021-22: none) new engagements that latest longer than six months or who reached six months duration during 2022-23.

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

	2023	2022
< one year	11	8
Between one and two years	2	-
Between two and three years	-	3
Between three and four years	-	1
> Four years	2	1

The number of off payroll-engagements outside of the UK was two (2021-22: five). 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 2022-23 due to the transformation programme requiring short-term project resource as well as providing cover for business-critical vacancies, particularly in procurement.

There were 14 (2021-22: 15) individuals deemed as Board members or with significant financial responsibility during the financial year, of which none (2021-22: 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 and pay and grading issues. 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),

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change agents, staff surveys, regular presentations on initiatives and developments within the organisation and industry, as well as meetings with senior management.

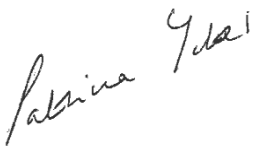
During 2022-23 there were three full time equivalent employees who were union officials who all spent between 1% and 50% of their time on facility time at a cost of £23,970 or 0.14% of the total pay bill of £17 million. 51% of total paid facility time hours was spent on paid trade union activities.

Sickness absence

The average sickness absence per full time employee in 2022-23 decreased to 3.41 days from 4.26 days in 2021-22. COVID-19 was 13% of total sickness (2021-22: 17%).

Staff turnover

Staff turnover levels in 2022-23 were 26%, compared to 28% in 2021-22.



Patricia Yates
Accounting Officer of the British Tourist Authority
5 July 2023

Statement of Accounting Officer Responsibilities

Under Section 6(1) of the Development of Tourism Act 1969, the Secretary of State for 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.

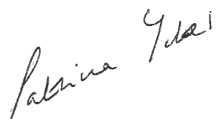
In preparing the accounts, the Accounting Officer is required to comply with the requirements of the Government Financial Reporting Manual and in particular to:

- Observe the Accounts Direction issued by the Secretary of State for 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.
- confirm that the Annual Report and Accounts as a whole is fair, balanced and understandable and take personal responsibility for the Annual Report and Accounts and the judgements required for determining that it is fair, balanced and understandable.

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



Patricia Yates
Accounting Officer of the British Tourist Authority
5 July 2023

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 2023 under the Development of Tourism Act 1969.

The financial statements comprise the British Tourist Authority's

- Statement of Financial Position as at 31 March 2023;
- 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 2023 and of its net expenditure 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 and Regularity of Public Sector Bodies in the United Kingdom (2022). 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 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

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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 certificate.

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 is anticipated that the services which they provide will continue into the future.

Other Information

The other information comprises the 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.

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 Report and Accountability Report 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 Report and Accountability Report.

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

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

03. Accountability Report

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;
- providing the C&AG with access to all information of which management is aware that is relevant to the preparation of the financial statements such as records, documentation and other matters;
- providing the C&AG with additional information and explanations needed for his audit;
- providing the C&AG with unrestricted access to persons within the British Tourist Authority from whom the auditor determines it necessary to obtain audit evidence;
- ensuring such internal controls are in place as deemed necessary to enable the preparation of financial statement to be free from material misstatement, whether due to fraud or error;
- ensuring that the financial statements give a true and fair view and are prepared in accordance with Secretary of State directions made under the Development of Tourism Act 1969;
- ensuring that the annual report, which includes the Remuneration and Staff Report, is prepared in accordance with Secretary of State directions made under the Development of Tourism Act 1969; 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, I:

- considered the nature of the sector, control environment and operational performance

03. Accountability Report

including the design of the British Tourist Authority's accounting policies.

- inquired 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 on:
 - identifying, evaluating and complying with laws and regulations;
 - detecting and responding to the risks of 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 compliance with the Development of Tourism Act 1969 and Managing Public Money.
- inquired of management, the British Tourist Authority's head of internal audit and those charged with governance whether
 - they were aware of any instances of non-compliance with laws and regulations;
 - they had knowledge of any actual, suspected, or alleged fraud;
- discussed with the engagement team and the relevant external specialists, including pensions specialists 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.

I obtained an understanding of the British Tourist Authority's framework of authority and

other legal and regulatory frameworks in which the British Tourist Authority operates. I focused 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, Managing Public Money] employment law and pensions legislation and tax legislation.

Audit response to identified risk

To respond to the identified risks resulting from the above procedures:

- I reviewed 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;
- I enquired of management, the Audit and Risk Committee and in-house legal counsel concerning actual and potential litigation and claims;
- I reviewed minutes of meetings of those charged with governance and the Board and internal audit reports; and
- in addressing the risk of fraud through management override of controls, I tested the appropriateness of journal entries and other adjustments; assessed whether the judgements on estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business;

I communicated relevant identified laws and regulations and potential risks of fraud to all engagement team members, including pensions specialists, 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

03. Accountability Report

on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of my certificate.

Other auditor's responsibilities

I am required to obtain evidence sufficient to give reasonable assurance that the expenditure and income recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial

statements 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 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 2023

Three Cliffs Bay, Glamorgan



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Statement of Comprehensive Net Expenditure for year ended 31 March 2023

	Note	2023 £'000	2022 £'000
Commercial income	5	11,784	4,055
Other income	6	384	630
Total Income		12,168	4,685
Staff costs	7	(17,579)	(16,517)
Depreciation and amortisation	14 to 16	(1,766)	(875)
Other operating costs	8	(41,972)	(33,103)
Grants awarded	9	(2,812)	(3,252)
Re-organisation costs	10	(107)	-
Total Expenditure		(64,236)	(53,747)
Net Expenditure before finance income	11	(52,068)	(49,062)
Finance income	12	47	1
Finance expense	12	(14)	(459)
Net Expenditure for the year		(52,035)	(49,520)
Decrease in liability on unfunded schemes	23	11	11
Re-measurements of defined benefit pension obligations	23	2,047	24,569
Revaluation of investments	17	200	-
Other Comprehensive Income		2,258	24,580
Total Comprehensive Net Expenditure for the year		(49,777)	(24,940)

All income and expenditure derived from continuing activities.

The Notes on pages 82 to 111 form part of these financial statements.

04. Financial Statements

Statement of Financial Position for year ended 31 March 2023

	Note	2023 £'000	2022 £'000
Assets			
Non-current assets			
Property, plant and equipment	14	155	250
Right of use assets	15	415	796
Intangible Assets	16	2,255	1,305
Investment in subsidiary	17	201	1
Net retirement benefit assets	23	2,607	520
Total non-current assets		5,633	2,872
Current assets			
Inventories	18	1,986	6,227
Trade and other receivables	19	2,507	1,434
Contract assets		30	-
Cash and cash equivalents	20	7,226	5,621
Total current assets		11,749	13,282
Total assets		17,382	16,154
Liabilities			
Current liabilities			
Trade and other payables	21	(13,186)	(10,058)
Contract liabilities		(280)	(198)
Total current liabilities		(13,466)	(10,256)
Total Assets less Current Liabilities		3,916	5,898
Non-current liabilities			
Trade and other payables	21	(29)	(422)
Provisions	22	(687)	(644)
Total non-current liabilities		(716)	(1,066)
Total liabilities		(14,182)	(11,322)
Total Net Assets		3,200	4,832
Taxpayers' Equity			
Reserves		3,200	4,832

The financial statements were approved and authorised for issue by the Board on 20 June 2023 and were signed on its behalf by:

Patricia Yates

Patricia Yates, Accounting Officer of the British Tourist Authority
5 July 2023

The Notes on pages 82 to 111 form part of these financial statements.

04. Financial Statements

Statement of Cash Flows for year ended 31 March 2023

	Note	2023 £'000	2022 £'000
Cash flows from operating activities			
Net expenditure for the year		(52,035)	(49,520)
Adjustments for:			
Depreciation and amortisation	14 to 16	1,766	875
Defined benefit pension cost	23	323	262
Net finance costs – UK and US pension scheme	23	(46)	444
Unrealised foreign exchange on US pensions scheme	23	(96)	(34)
Defined benefit employer pension contribution	23	(209)	(223)
Net lease interest paid		14	15
Cash flows from operating activities before changes in working capital and provisions		(50,283)	(48,181)
Increase in trade and other receivables	19	(1,073)	(140)
Decrease in inventories	18	4,241	2,050
Increase in trade and other payables	21	3,117	5,332
Increase in contract assets		(30)	-
Increase/(Decrease) in contract liabilities		82	(36)
Increase in Provisions	22	43	74
Net cash flows from operating activities		(43,903)	(40,901)
Investing activities			
Purchases of Property, plant and equipment	14	(180)	(70)
Purchases of Intangible assets	16	(2,060)	(1,280)
Net cash outflows from investing activities		(2,240)	(1,350)
Financing activities			
Grant-in-Aid received from DCMS		48,145	45,393
Payment of lease liabilities		(397)	(395)
Net cash flows from financing activities		47,748	44,998
Net increase in cash and cash equivalents		1,605	2,747
Cash and cash equivalents at 1 April		5,621	2,874
Cash and cash equivalents at 31 March		7,226	5,621

The Notes on pages 82 to 111 form part of these financial statements.

04. Financial Statements

Statement of Changes in Taxpayers' Equity for year ended 31 March 2023

	Income and Expenditure £'000	Investment Revaluation Reserve £'000	Pension Reserve £'000	Total Reserves £'000
Balance as at 1 April 2021	7,989	-	(23,610)	(15,621)
Comprehensive net expenditure for the year	(49,520)	-	24,580	(24,940)
Reserves transfer	450	-	(450)	-
Grant in Aid - Resource	44,160	-	-	44,160
Grant in Aid - Capital	1,233	-	-	1,233
Balance as at 31 March 2022	4,312	-	520	4,832
Comprehensive net expenditure for the year	(49,777)	-	-	(49,777)
Reserves transfer	(2,287)	200	2,087	-
Grant in Aid - Resource	45,670	-	-	45,670
Grant in Aid - Capital	2,475	-	-	2,475
Balance as at 31 March 2023	393	200	2,607	3,200

The Notes on pages 82 to 111 form part of these financial statements.

Notes to the Accounts

1. Accounting Policies

These financial statements have been prepared in accordance with the 2022-23 Government Financial Reporting Manual (FReM) issued by HM Treasury and the Accounts Direction issued by the Secretary of State for 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 Culture, Media and Sport (DCMS) to 31 March 2024 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 2022 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 varies depending on the terms of the product and services provided. Accordingly, the recognition of revenue is

04. Financial Statements

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 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) in the Statement of Financial Position.

Revenue from commercial activities is 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 is usually minimal.

Revenue from exhibitions, fairs and workshops is generally billed at registration for an event, and subsequently recognised in the Statement of Comprehensive Net Income when the service has been delivered, which is usually when the event takes place.

Partnership marketing, media and publicity services are generally billed as work progresses in accordance with agreed-upon contractual terms, usually at agreed periodic

intervals in arrears to the work taking place. (e.g. monthly).

These differences between revenue recognition and billing are reported as contract liabilities and assets in 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

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 an element of the funded activity is due to take place in the next financial year. 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. 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

Property, plant and equipment assets are subsequently carried at current value in

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existing use and are subject to revaluation under Modified Historic Cost Accounting 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).

Right of use assets are valued at the expected net present value of lease payments discounted at HMT rate.

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 is 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. Intangible assets largely relate to software systems which support the business function. 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 is recognised in the Statement of Comprehensive Net Expenditure as incurred.

Any staff costs incurred as a result of bringing software assets into working condition will be capitalised alongside other qualifying developmental expenditure

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 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

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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 2023 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.

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. 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 year-end 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.

1.12. Leases and Right of Use assets

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

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

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- 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. 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.

1.14. 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.

Defined Benefit Schemes

A defined benefit plan 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.

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Contributions are made to the British Tourist Boards' Staff Pensions and Life Assurance Scheme (see Note 23) 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.

1.15. Standards, Amendments and Interpretations to existing standards not yet effective

IAS requires the disclosure of any accounting standards issued but not yet effective. IFRS 17 – Insurance contracts has been issued but is not yet effective. The impact of this IFRS is highly unlikely to have an impact on the financial statements in the period of initial application.

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:

2.1. 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 23. 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.

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3. Financial Instruments and Risk Management

The principal financial instruments are:

- Trade and other receivables
- Cash and cash equivalents
- Trade and other payables
- Lease payables

The following table shows financial instruments by category:

	2023			2022		
	Held at Amortised cost	Held at fair value through profit and loss	Total	Held at Amortised cost	Held at fair value through profit and loss	Total
	£'000	£'000	£'000	£'000	£'000	£'000
<u>Financial assets</u>						
Trade receivables	602	-	602	395	-	395
Cash and cash equivalents	7,226	-	7,226	5,621	-	5,621
	7,828	-	7,828	6,016	-	6,016
<u>Financial liabilities</u>						
Trade and other payables	12,109	-	12,109	9,353	-	9,353
Lease payables	426	-	426	807	-	807
	12,535	-	12,535	10,160	-	10,160

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 £287k (2021-22: £124k) on trade receivables (see note 19) which are spread over a range of customers and countries. The majority of customers are based in the UK. BTA has recovered more than 99% of trade receivables

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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 19.

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 2023 and 2022 there were no open foreign currency exchange forward contract commitments.

4. Segment Information

BTA has reviewed and revised its reportable segments to better reflect the structure and working of the organisation which is by funding stream. Previously we reported by 4 segments of Global Network; England; Retail and Commercial and UK Marketing, Strategy and Support Services. This no longer reflects how the organisation manages its business. Our reporting is based on the funding areas from our settlement with DCMS. The reporting segments for 2021-22 has been restated to reflect the revised structure

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

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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.

2022-23 £'000	Visit Britain	Visit England	GREAT	Trans- formation	Common- wealth Games	Total
Partnership and Exhibition Funding	642	216	522	-	1	1,381
Commercial Income	10,173	230	-	-	-	10,403
Other income	380	-	4	-	-	384
Total Income	11,195	446	526	-	1	12,168
Staff Costs	13,374	2,402	1,561	208	34	17,579
Activity Costs	4,732	5,071	15,537	67	1,007	26,414
Other Overheads	5,037	771	2,496	1,466	10	9,780
Internal Recharges	(1,235)	1,235	-	-	-	-
Commercial Cost of Sales	8,743	1	-	-	-	8,744
Depreciation	1,766	-	-	-	-	1,766
Finance income	(47)	-	-	-	-	(47)
Total Expenditure	32,370	9,480	19,594	1,741	1,051	64,236
Capital Expenditure	180	-	-	2,060	-	2,240
2021-22 (restated) £'000	Visit Britain	Visit England	GREAT	Trans- formation	Common- wealth Games	Total
Partnership and Exhibition Funding	97	104	275	-	-	476
Commercial Income	3,374	205	-	-	-	3,579
Other income	515	115	-	-	-	630
Total Income	3,986	424	275	-	-	4,685
Staff Costs	11,934	2,430	1,649	471	33	16,517
Activity Costs	4,394	5,204	14,465	2,940	782	27,785
Other Overheads	4,241	471	2,042	372	98	7,224
Internal Recharges	(1,235)	1,235	-	-	-	0
Commercial Cost of Sales	2,237	25	1	-	-	2,263
Depreciation	875	-	-	-	-	875
Finance cost	(459)	-	-	-	-	(459)
Total expenditure	21,987	9,365	18,157	3,783	913	54,205
Capital Expenditure	770	-	-	580	-	1,350

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5. Commercial Income

	2023	2022
	£'000	£'000
Income from commercial activities	10,300	3,397
Partnership marketing, media and publicity income	629	342
Income from exhibitions, fairs and workshops	653	134
Quality scheme income	202	182
Total commercial income	11,784	4,055

6. Other Income

	2023	2022
	£'000	£'000
Other grants	98	115
Camelot contribution	-	260
Office rental income	19	19
Other income	267	236
Total other operating income	384	630

Office rental income is from London and Partners, Visit Wales and Marketing Manchester in the USA and China. For the year ended 31 March 2023, the total rental income from the sub-let of properties was £19k

(2021-22: £19k). Other income includes £137k (2021-22: £104k) marketing fees for oyster cards and £117k services to registered tourist boards (2021-22: £78k)

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7. Staff costs

Further detail of staff costs and numbers can be found in the remuneration report on page 61.

	2023			2022		
	UK	Overseas	Total	UK	Overseas	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Wages and Salaries	9,346	4,727	14,073	8,580	4,644	13,224
Social security contributions and similar taxes	1,158	726	1,884	961	742	1,703
Other pension costs	1,177	91	1,268	1,097	97	1,194
Total permanent and fixed term staff	11,681	5,544	17,225	10,638	5,483	16,121
Agency Staff	349	5	354	258	138	396
Total Staff Costs	12,030	5,549	17,579	10,896	5,621	16,517

8. Other Operating Costs

	2023	2022
	£'000	£'000
Partnership marketing, media and publicity costs	19,379	19,356
Publishing	167	491
Commercial cost of sales and overhead cost	8,744	2,263
Quality Scheme costs	-	9
Distribution costs	7	3
Research and evaluation	1,651	1,857
Infrastructure and support costs – Overseas	2,082	921
Infrastructure and support costs – UK	5,198	4,441
VisitEngland Board secretariat operation costs	-	1
Irrecoverable VAT (UK and overseas)	4,797	3,716
Provisions	-	28
Foreign exchange (gain)/ loss	(53)	17
Total other operating costs	41,972	33,103

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9. Grants Awarded

	2023	2022
	£'000	£'000
Business Events Growth Programme	325	251
Business events domestic recovery support fund	-	184
Destination Management Companies' and Inbound Tour Operators' Amplification and Distribution Fund	292	468
DMO marketing recovery fund (Second round)	-	1,749
Family Holiday Charity, 'England for Everyone'	475	600
GREAT Gateway Innovation Fund	970	-
Pilot Destination Development Partnership 2022-25 (Year 1)	750	-
Total	2,812	3,252

10. Reorganisation Costs

	2023	2022
	£'000	£'000
Staff redundancy costs	107	-

Staff redundancy costs include exit packages and other related costs. Details of exit packages are contained in the Remuneration Report on pages 68 and 69.

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11. Net Expenditure before Finance income

	2023	2022
	£'000	£'000
Net expenditure before finance income	(52,068)	(49,062)
After charging:		
VisitBritain Board Members' remuneration	75	72
VisitEngland Board Members' remuneration	15	40
Auditors' remuneration*	83	76
Variable lease payments not included in measurement of lease liabilities for Land and buildings	1,008	814
Travel, subsistence and hospitality:		
Board Members VisitBritain	12	2
Board Members VisitEngland	3	1
Employees	346	18
Depreciation (note 14)	275	290
Right of use assets depreciation (note 15)	381	381
Amortisation (note 16)	1,110	204

*The external audit fee includes £83k (2021-22: £81k) 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. Finance Income and Expense

	2023	2022
	£'000	£'000
<i>Finance Income</i>		
Net interest income on UK and US pension schemes (note 23)	47	-
Interest received on bank deposits	-	1
Total Finance income	47	1
<i>Finance expense</i>		
Interest on lease liabilities	(14)	(15)
Net interest cost on UK and US pension schemes (note 23)	-	(444)
Total Finance expense	(14)	(459)
Net finance income/(expense)	33	(458)

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13. 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 2022-23 amount to £124.3 million (2021-22: £94.6 million) and the estimated

taxable losses for 2022-23 are approximately £1.1 million.

BTA is assessed for corporate tax in Germany; there is no corporate tax due in the current year, nor any in 2021-22.

14. Property, Plant and Equipment

	Leasehold improvements	IT equipment	Fixtures fittings and equipment	Total
	£'000	£'000	£'000	£'000
Cost or valuation:				
At 1 April 2021	17	2,119	179	2,315
Additions	-	70	-	70
At 31 March 2022	17	2,189	179	2,385
Additions	-	180	-	180
At 31 March 2023	17	2,369	179	2,565
Accumulated depreciation:				
At 1 April 2021	17	1,688	140	1,845
Charge for the year	-	274	16	290
At 31 March 2022	17	1,962	156	2,135
Charge for the year	-	262	13	275
At 31 March 2023	17	2,224	169	2,410
Net carrying value				
At 31 March 2022	-	227	23	250
At 31 March 2023	-	145	10	155

Capital Commitment

As at 31 March 2023, BTA had no contractual commitment to purchase property, plant and equipment.

15. Right of Use Assets

	Leasehold
	£'000
<i>Cost or valuation</i>	
At 1 April 2021	1,367
Additions	-
At 31 March 2022	1,367
Additions	-
At 31 March 2023	1,367
<i>Accumulated amortisation</i>	
At 1 April 2021	190
Charge for the year	381
Disposals	-
At 31 March 2022	571
Charge for the year	381
At 31 March 2023	952
<i>Net carrying value</i>	
At 31 March 2022	796
At 31 March 2023	415

The British Tourist Authority has a lease at 3 Grosvenor Gardens, London whose term finishes in May 2024. The lease liability is shown in note 21.

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16. Intangible Assets

	Assets Under Construction	Computer systems and software	Total
	£'000	£'000	£'000
<i>Cost or valuation</i>			
At 1 April 2021	-	1,330	1,330
Additions	-	1,280	1,280
At 31 March 2022	-	2,610	2,610
Additions	274	1,786	2,060
At 31 March 2023	274	4,396	4,670
<i>Accumulated amortisation</i>			
At 1 April 2021	-	1,101	1,101
Charge for the year	-	204	204
At 31 March 2022	-	1,305	1,305
Charge for the year	-	1,110	1,110
At 31 March 2023	-	2,415	2,415
<i>Net carrying value</i>			
At 31 March 2022	-	1,305	1,305
At 31 March 2023	274	1,981	2,255

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17. Investment in subsidiary

	2023	2022
	£'000	£'000
At the beginning of the year	1	1
Revaluation	200	
At the end of the year	201	1

The investment represents a 100% shareholding in the capital of Visit Britain Services India PTE Limited (VBSIPL) a company incorporated in India. During the year the valuation of the investment was changed from cost to fair value as represented by the net assets shown in the table below. No impairment is deemed necessary. VBISPL was incorporated in June 2009 and is engaged in the provision of marketing and cash collection

support services to BTA as per the terms of the service agreement entered into in April 2014. VisitBritain staff based in India are employed by VBSIPL.

VBSIPL is not consolidated into the accounts of BTA as bodies registered abroad are not within the scope of inclusion in the Designation of Whole of Government Accounts.

	2023	2022
	£'000	£'000
Total comprehensive net income/(expense)	10	(16)
Total reserves	201	191

18. Inventories

	2023	2022
	£'000	£'000
Inventories	1,986	6,227

Inventories comprises saleable stock of Oyster cards and Travel cards.

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19. Trade and other Receivables

	2023	2022
	£'000	£'000
Amounts due within one year:		
Trade receivables	291	128
Less: provision for impairment of trade receivables	(4)	(4)
Net Trade receivables	287	124
VAT receivables	-	48
Other receivables	315	271
Prepayments	1,900	986
HM Government – Section 4 grants recoverable	5	5
Total Trade and other receivables	2,507	1,434

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:

	2023	2022
	£'000	£'000
At 1 April	4	7
Income and Expenditure statement release	-	(3)
At 31 March	4	4

The creation and release of the provision for impaired receivables is included in the Statement of Comprehensive Net Expenditure, but there has been no movement this year. BTA does not hold any collateral as security.

As at 31st March 2023 trade receivables of £3.5k (2021-22: £3.5k) were past due and were impaired. £287k was up to 90 days outstanding (2021-22: £124k) and £nil over 90 days (2021-22: £nil) outstanding.

Trade and other receivables are denominated in the following currencies:

	2023	2022
	£'000	£'000
Pound sterling	2,053	1,062
US dollar	29	27
Euro	167	149
Other	258	196
Total	2,507	1,434

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20. Cash and cash equivalents

	2023	2022
	£'000	£'000
At 1 April	5,621	2,874
Movement	1,605	2,747
At 31 March	7,226	5,621

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

21. Trade and other Payables

	2023	2022
	£'000	£'000
Amounts due within one year:		
Trade payables	2,793	4,288
Other taxes and social security taxes	675	315
Other payables	395	304
Lease payables	397	385
Accruals	8,921	4,761
HM Government – Section 4 grants payable	5	5
	13,186	10,058
Amounts due after more than one year:		
Finance lease payables	29	422
Total trade and other payables	13,215	10,480

The lease on 3 Grosvenor Gardens is due to expire in May 2024.

Trade payables

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 and exclude taxes and grants:

	2023	2022
	£'000	£'000
Up to 30 days	12,760	6,926
30 to 90 days	91	2,341
Over 90 days	364	1,213
Total	13,215	10,480

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Trade and other payables are denominated in the following currencies:

	2023	2022
	£'000	£'000
Pound sterling	11,468	6,727
Euro	481	3,644
US dollar	1,034	1
Other	232	108
	13,215	10,480

22. Provisions

	2023	2022
	£'000	£'000
At 1 April	(644)	(570)
Provided in year	(43)	(74)
At 31 March	(687)	(644)

Provisions include:

- £412k for dilapidations at the London office, 3 Grosvenor Gardens
- £275k for end of service employee entitlements in UAE

The movement in the year represents the net increase on the end of service employee entitlements in UAE. All provisions are considered to be payable in more than one year.

23. 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, and principal employer of, 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.

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Total amounts of employers' contributions to pension schemes were:

	2023	2022
	£'000	£'000
Admin cost contribution	270	223
UK defined contribution scheme	1,101	1,061
Overseas pension schemes	42	50
Total Pension contribution	1,413	1,334

BTA also has additional pension liability of £96k (2021-22: £107k) for pension payments to ex-chairs which is unfunded and which is 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 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 dependents 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.
- 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 through 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

04. Financial Statements

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 106. 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 in consultation with BTA.

BTA's share of the UK scheme at the measurement date under the assumptions used is a surplus of £2.2 million (2021-22: surplus of £53k). Based on the legal advice prepared by our pension advisers PWC, we are comfortable that BTA has an unconditional right to a refund under the scheme's Rules and can therefore recognise surplus assets in full on the balance sheet under IAS 19 for this scheme. The movement in the 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 £2.1 million (2021-22: gains of £24.5 million) being recognised in the year. The return on assets excluding interest was a loss of £47.7 million (2021-22: £6.9 million gain) compared with an expected return of £5.3 million (2021-22: £3.7 million), while interest on the defined benefit obligation component amounted to £5.3 million (2021-22: £4.2 million), resulting in a net interest cost recognised in the Net expenditure for the year of £4k (2021-22: £476k credit).

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 £0.4 million (2021-22: £0.5 million). The asset movement in the current year was primarily due to the positive return on assets. There was no employer contribution for the current year and this is expected to continue for the foreseeable future.

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Defined benefit pension schemes disclosures

The principal actuarial assumptions used in the IAS19 valuation were:

	2022-23		2021-22	
	UK scheme	US scheme	UK scheme	US scheme
Discount rate	4.8%	4.7%	2.80%	3.40%
Salary growth rate	3.2%	3.25%	3.61%	3.25%
Inflation / Pension growth rate (RPI)	3.2%	2.20%	3.60%	2.20%
Inflation / Pension growth rate (CPI) pre 2030	2.7%	2.20%	2.85%	2.20%
Inflation / Pension growth rate (CPI) post 2030	2.7%	-	3.40%	-

Life expectancy assumptions from age 65

		2022-23		2021-22	
		UK scheme	US scheme	UK scheme	US scheme
Retiring 31 March 2023	Male	22.4	-	22.2	-
	Female	24.4	-	24.2	-
Retiring in 20 years' time	Male	23.7	-	23.8	-
	Female	25.9	-	26.0	-

At 31 March 2023 members have been assumed to take 10% of their pension at retirement.

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Statement of Financial Position Disclosure

	2023			2022		
	UK scheme	US scheme	Total	UK scheme	US scheme	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Fair value of plan assets	144,861	2,918	147,779	193,402	3,149	196,551
Present value of funded obligations	(142,542)	(1,709)	(144,251)	(193,241)	(1,978)	(195,219)
Total of funded schemes	2,319	1,209	3,528	161	1,171	1,332
Effect of asset ceiling	-	(825)	(825)	-	(705)	(705)
Present value of unfunded obligations	(96)	-	(96)	(107)	-	(107)
Net assets	2,223	384	2,607	53	466	520

Changes in the fair value of the plan assets

	2023			2022		
	UK scheme	US scheme	Total	UK scheme	US scheme	Total
	£'000	£'000	£'000	£'000	£'000	£'000
At the beginning of the year	193,402	3,149	196,551	188,721	3,021	191,742
Interest income	5,330	114	5,444	3,715	89	3,804
Administration expenses	(270)	-	(270)	(215)	-	(215)
Return on plan assets (excluding interest)	(47,739)	(324)	(48,063)	6,931	(2)	6,929
Exchange gain	-	260	260	-	92	92
Employer contributions ¹	209	-	209	223	-	223
Benefits paid	(6,071)	(281)	(6,352)	(5,973)	(51)	(6,024)
At end of year	144,861	2,918	147,779	193,402	3,149	196,551

¹Refer to employer contributions table on page 102.

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Composition of plan assets

	2023			2022		
	UK scheme	US scheme	Total	UK scheme	US scheme	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Equity	57,147	2,851	59,998	78,436	3,129	81,565
Bonds	7,689	-	7,689	-	-	-
Liability Driven Investment funds	51,965	-	51,965	81,419	-	81,419
Property	8,832	-	8,832	16,536	-	16,536
Annuities	6,780	-	6,780	7,903	-	7,903
Cash	12,448	67	12,515	9,108	20	9,128
	144,861	2,918	147,779	193,402	3,149	196,551

Movement in asset ceiling

	2023		
	UK scheme	US scheme	Total
	£'000	£'000	£'000
At the beginning of the year			
Changes in asset ceiling	-	705	705
Exchange gain	-	120	120
At end of year	-	825	825

The weighted average duration of the UK and US schemes are 15.6 and 10.33 years respectively (2021-22: 19 and 13.82 years).

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Movement in present value of defined benefit obligation

	2023			2022		
	UK scheme	US scheme	Total	UK scheme	US scheme	Total
	£'000	£'000	£'000	£'000	£'000	£'000
At the beginning of the year	(193,242)	(1,978)	(195,220)	(212,556)	(1,957)	(214,513)
Interest cost	(5,326)	(71)	(5,397)	(4,191)	(57)	(4,248)
Current service cost	-	(53)	(53)	-	(47)	(47)
Changes in demographic assumptions	447	-	447	-	29	29
Changes in financial assumptions	60,351	273	60,624	18,107	155	18,262
Exchange (loss)/gain	(10,843)	3	(10,840)	(575)	(94)	(669)
Exchange (loss)	-	(164)	(164)	-	(58)	(58)
Benefits paid	6,071	281	6,352	5,973	51	6,024
At end of year	(142,542)	(1,709)	(144,251)	(193,242)	(1,978)	(195,220)

Amounts recognised in the Statement of Comprehensive Net Expenditure

	2022-23			2021-22		
	UK scheme	US scheme	Total	UK scheme	US scheme	Total
Net interest (cost)/income	(4)	43	39	476	(32)	444
Foreign exchange gain/(loss)	-	96	96	-	(34)	(34)
Administration cost	270	-	270	215	-	215
Employer contributions	(209)	-	(209)	(223)	-	(223)
Current service cost	-	-	-	-	47	47
Total	57	139	196	468	(19)	449

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Re-measurement in Other Comprehensive Expenditure

	2022-23				2021-22			
	Un-funded	UK scheme	US scheme	Total	Un-funded	UK scheme	US scheme	Total
Return on plan assets	-	(47,739)	(324)	(48,063)	-	6,931	(2)	6,929
Changes in demographic assumptions	11	447	-	458	11	-	29	40
Experience loss/(gain)	-	(10,843)	3	(10,840)	-	(575)	(94)	(669)
Changes in financial assumptions	-	60,351	273	60,624	-	18,107	157	18,264
Change in asset ceiling	-	-	(120)	(120)	-	-	16	16
Total	11	2,216	(168)	2,059	11	24,463	106	24,580

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	+1.0%	-1.0%
Change in defined benefit obligation	£17.8 million decrease	£22.5 million increase
Adjustment to RPI inflation	+0.25%	-0.25%
Change in defined benefit obligation	£4.8 million increase	£4.6 million decrease
Adjustment to mortality	+ 1 year	-1 year
Change in defined benefit obligation	£5.3 million increase	£5.2 million decrease
US scheme		
Adjustment to discount rate	+0.5%	-0.5%
Change in defined benefit obligation	£84k decrease	£92k increase

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Defined Contribution Schemes

Other schemes in place during the year to 31 March 2023 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 £42k (2021-22: £50k) and are included within the total pension cost for the year.

The contribution amounts paid to the UK Defined Contribution Scheme are as follows:
Post 2017 starter contributions

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

Pre-2017 starter contributions

Timing	Contribution					
	Employee	Employer	Employee	Employer	Employee	Employer
Until 31 March 2023	3%	14%	4%	15%	5%	16%
1 April 23 to 31 March 24		12%		13%		14%
1 April 24 to 31 March 25		11%		12%		13%
1 April 25 to 31 March 26		10%		11%		12%
1 April 26 onwards		9%		10%		11%

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24. 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 supplier balances as at 31 March 2023, and as at 31

March 2022. BTA is sponsored by the Department for Culture, Media and Sport, (DCMS), which is regarded as a related party. There were material transactions with DCMS in respect of the receipt of Grant in Aid.

2022-23					
Relationship	Nature of transaction	Invoiced in 2022-23	Debtor balance as at 31 March 2023	Purchased in 2022-23	
		£'000	£'000	£'000	
Ian Edwards	Board member, Welsh Government	310	20	-	
Andrew Stokes	Honorary Board Member, UK Inbound				Marketing promotions
		-	-	60	
Allan Lambert	Ambassador, Family Holiday Association				
		-	-	810	

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

25. Contingent liabilities

There is potential non-compliance in connection with BTA's Indian subsidiary VisitBritain Services India Private Limited (see note 17) regarding cash collection and a Branch office, which has not been utilised for operations in India for many years. If there

were to be confirmed non-compliance there is a risk of fines arising, however there is no certainty over either timing or value. BTA continue to work with its advisers to resolve these matters and ensure on-going compliance with Indian regulations.

26. Events after the Reporting Period.

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 Reporting Period date.

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