# THE HONOURABLE THE IRISH SOCIETY

England & Wales · Charity number 1150776

## Details

| | |
|---|---|
| **Status** | Registered |
| **Legal form** | Other |
| **Registered** | 2013-02-12 |
| **Register** | View on the Charity Commission register |

## Contact

| | |
|---|---|
| **Address** | The Honourable the Irish Society<br>54 Castleroe Road<br>Coleraine<br>BT51 3RL |
| **Phone** | 02870344796 |
| **Email** | office@irishsociety.co.uk |
| **Website** | www.honourableirishsociety.org.uk |

## Activities

**Objects:** THE OBJECTS OF THE SOCIETY SHALL BE THE PROMOTION OF ANY EXCLUSIVELY CHARITABLE PURPOSES FOR THE BENEFIT OF THE COMMUNITY OF THE COUNTY OF LONDONDERRY AND NEIGHBOURING AREAS INCLUDING THOSE WITHIN THE FOLLOWING DESCRIPTIONS:(I) THE ADVANCEMENT OF EDUCATION,(II) THE ADVANCEMENT OF CITIZENSHIP OR COMMUNITY DEVELOPMENT,(III) THE ADVANCEMENT OF THE ARTS, CULTURE, HERITAGE OR SCIENCE,(IV) THE ADVANCEMENT OF AMATEUR SPORT,(V) THE ADVANCEMENT OF ENVIRONMENTAL PROTECTION OR IMPROVEMENT, AND(VI) THE RELIEF OF THOSE IN NEED BY REASON OF YOUTH, AGE, ILL-HEALTH, DISABILITY, FINANCIAL HARDSHIP OR OTHER DISADVANTAGE.

**Activities:** THE OBJECTS OF THE SOCIETY SHALL BE THE PROMOTION OF ANY EXCLUSIVELY CHARITABLE PURPOSES FOR THE BENEFIT OF THE COMMUNITY OF THE COUNTY OF LONDONDERRY AND NEIGHBOURING AREAS

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## Classification

- **How:** Makes Grants To Individuals, Makes Grants To Organisations, Provides Buildings/facilities/open Space, Provides Services, Sponsors Or Undertakes Research
- **What:** General Charitable Purposes
- **Who:** Children/young People, Elderly/old People, People With Disabilities, Other Charities Or Voluntary Bodies, Other Defined Groups

## Geography

- **Area of benefit:** COUNTY OF LONDONDERRY AND NEIGHBOURING AREAS
- Northern Ireland

## Finances

| Period end | Income | Expenditure | Assets | Employees |
|---|---|---|---|---|
| 2025-03-31 | £611,416 | £681,759 | £14,836,615 | 5 |
| 2024-04-30 | £684,103 | £792,254 | £12,332,712 | 6 |
| 2023-04-30 | £677,362 | £636,050 | £12,065,529 | 6 |
| 2022-04-30 | £648,825 | £575,520 | £12,318,425 | 6 |
| 2021-04-30 | £654,228 | £606,017 | £12,437,326 | 6 |

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## Trustees

| Name | Role | Appointed |
|---|---|---|
| **Alderman Vincent Keaveny CBE** | Chair | 2024-03-07 |
| Alderman Robert Picton Seymour Howard | | 2022-03-10 |
| Alex Barr | | 2026-03-05 |
| Anne Corbett | | 2022-05-19 |
| Anthony David Fitzpatrick | | 2025-05-22 |
| Ceri Wilkins | | 2026-01-15 |
| Charles Edward Lord | | 2021-03-04 |
| David Sales | | 2026-03-05 |
| Dawn Linsey Wright CC | | 2022-03-10 |
| Dawn Margaret Frampton | | 2025-05-22 |
| Hugh Maximilian Hilliard Selka | | 2023-03-09 |
| John Ross Foley | | 2023-03-09 |
| Matthew Bell | | 2025-05-22 |
| Philip Woodhouse Deputy | | 2019-03-07 |
| Shravan Jashvantrai Joshi | | 2022-03-10 |

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**THE HONOURABLE THE IRISH SOCIETY**

England & Wales - Charity number 1150776

# Accounts

Company Registration No. 1150776 (England and Wales)

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# THE HONOURABLE THE IRISH SOCIETY

## ANNUAL REPORT AND FINANCIAL STATEMENTS

## FOR THE 11 MONTHS ENDED 31 MARCH 2025

IDS Chartered Accountants LLP
23/25 Queen Street
COLERAINE
Co Londonderry
BT52 1BG

# THE HONOURABLE THE IRISH SOCIETY

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# THE HONOURABLE THE IRISH SOCIETY

## CHARITY INFORMATION

| | |
|---|---|
| **Charity registration number** | 1150776 |
| **Registered office** | PO Box 270<br>Guildhall<br>LONDON<br>EC2P 2EJ |
| **Auditor** | IDS Chartered Accountants LLP<br>23/25 Queen Street<br>COLERAINE<br>Co Londonderry<br>BT52 1BG |
| **Bankers** | Danske Bank<br>Corporate Banking Centre<br>PO Box 183<br>BELFAST<br>BT1 6JS |
| **Investment managers** | Cazenove Capital Management<br>1 London Wall Place<br>LONDON<br>EC2Y 5AU<br><br>CCLA Fund Managers Ltd<br>1 Angel Lane<br>LONDON<br>EC4R 3AB |
| **Solicitors** | Elliott Duffy Garrett<br>40 Linenhall Street<br>BELFAST<br>BT2 8BA |

## CHARITY INFORMATION

**List of Trustees 2024-25**

| | |
|---|---|
| **Governor:** | Alderman Vincent Keaveny, CBE |
| **Deputy Governor:** | Charles Edward Lord OBE, JP, Deputy |
| **Aldermen:** | Robert Picton Seymour Howard<br>Gregory Jones, KC |
| **Commoners:** | Anne Corbett<br>Mary Durcan, JP (to 20/03/25)<br>John Foley<br>John Griffiths (to 20/03/25)<br>Shravan Jashvantrai Joshi MBE, Deputy<br>Eamonn James Mullally (to 20/03/25)<br>Hugh Selka<br>Oliver Sells, KC (Deputy Governor Elect to 22/05/25)<br>James St John Davis<br>Philip Woodhouse<br>Dawn Linsey Wright (Deputy Governor Elect from 23/05/25)<br>Dawn Margaret Frampton (from 23/05/25)<br>Anthony David Fitzpatrick (from 22/05/25)<br>Matthew Bell (from 22/05/25)<br>Keith David Forbes Bottomley (from 22/05/25) |
| **Officers:** | |
| **Secretary & Chief Executive** | Duane Farrell |
| **Assistant Secretary:** | Candya Farmer |

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## TRUSTEES' REPORT

### *FOR THE 11 MONTHS ENDED 31 MARCH 2025*

The trustees are pleased to present their annual report and financial statements for the 11 months ended 31 March 2025.

The figures in this report reflect an 11-month year as the Society changes our financial year end to align with 31 March annually. For this reason, it is important to state that the comparison with last year's figures throughout this document is not a true comparison and reflects an 11-month total figure with last year's 12-month figure.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts; the Charities Act 2011; and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

**WHO ARE WE?**

The Society is a modern charity operated to support communities in Northern Ireland, mostly but not exclusively in the County of Derry/Londonderry. The Society has operated since 1613 as a chartered organisation and through that time has worked to support communities across the county and of Northern Ireland more generally. The Society has achieved this through the promotion of education, the management of property including for community use and the management of various rights granted to the Society in its charter. Significantly, the Society has been a funder of charitable activities across all communities in NI over many years. The Society also works to promote and facilitate links between London and a range of social, cultural and economic interests in County Derry/Londonderry and Northern Ireland more generally. A modernising Supplemental Charter was granted to the Irish Society on 20 December 2012. The Society is registered as a charity with the Charity Commission for England and Wales - Registration number 1150776.

**OBJECTIVES**

The Society's vision is of a future where peaceful communities thrive, healthy waterways flourish and connections are strengthened between the Northwest and the City of London. To work towards this, the Society's mission focuses on empowering communities through philanthropy, preservation and partnership

Led by a team of trustees committed to ensuring that the Society continues to make a positive impact by remaining contemporary, credible and relevant in everything that it does, the Society works to support communities throughout the northwest.

The Society achieves this primarily through grant making and distributing grants to a range of organisations and causes in our area of benefit. The Society's trustees are ably supported in this work by a Local Advisory Committee of Councillors from Council in the region. Our grant making supports charitable activities that span community support, education, sports, culture, heritage and engagement.

As custodians of fishing rights across Northern Ireland, our organisation is committed to promoting responsible access to angling while delivering meaningful social, environmental, and economic benefits. By leasing fishing rights to local angling clubs, we enable inclusive participation in a recreational activity that supports mental well-being, encourages outdoor engagement, and strengthens community connections. This work helps sustain rural economies through angling-related tourism and local business activity. The activities of these clubs also contribute significantly through the annual endeavours towards environmental stewardship demonstrated among club members who actively contribute to habitat conservation and waterway protection. The Society also aim to preserve and enhance Northern Ireland's natural heritage by ensuring that angling remains a sustainable and accessible pursuit for future generations. These objectives underpin our broader mission to support healthy communities, protect aquatic ecosystems, and maintain the cultural value of angling across the region. The Society's support of angling over the last 20 years has been focused on adopting a more sustainable approach to our historical commercial fisheries works. The organisation remains concerned about the range of circumstances which are currently affecting our waterways and wider eco-systems and the potential for these circumstances to negatively affect the sustainability of angling in the medium term.

Education has always been a key focus of the Society's work throughout the course of our history, including funding and directly managing the delivery of primary education hundreds of years before this became a statutory requirement. This focus has grown and developed in response to changes in policy and legislation over many years. We maintain and continue to develop our founder's links with 5 primary schools in the northwest. Beyond those direct links, we continue to develop our support for education more widely and now support a number of schools, youth work initiatives and early years settings across the northwest. We also support scholarships in further and higher education institutions.

Finally, the Society supports wider civic engagement both in the northwest and linking the northwest to the City of London. We do this through our support of annual visits from the Lord Mayor and the Chairman of Policy & Resources of the City of London Corporation. This work promotes a range of innovative developments in the Northwest and positions them in the context of wider east-west opportunities. This work also links local schools into opportunities to visit the City of London.

## ACTIVITIES, ACHIEVEMENTS & PERFORMANCE

### OVERVIEW

Change has continued to be a strong theme in the Society's work over the course of the 2024/2025 year as the organisation developed a new strategic framework to guide its work in the coming years. A significant programme of stakeholder engagement was completed and key people and organisations across Northern Ireland and London supported this exercise through attending events and meetings and engaging with the Society on the important role we can play.

During the reporting period, trustees undertook a series of structured visits to Northern Ireland, designed to deepen engagement with local stakeholders and inform the development of the Society's emerging strategic framework. These visits provided valuable opportunities to explore key themes including education, reconciliation, and environmental stewardship-particularly in relation to the Society's role as a fishery owner.

Trustees met with representatives from local angling clubs to discuss the Society's evolving strategy around river environments and sustainable access to fisheries. These consultations highlighted the important role clubs play in conservation and community engagement and helped shape proposals for future collaboration and support.

In the education sector, Trustees attended prize-giving ceremonies at legacy schools and held roundtable discussions with school principals and early years experts. These engagements provided insight into the challenges facing local education providers and helped identify potential areas where the Society could make a meaningful contribution, particularly in early years development and educational underachievement.

Reconciliation was a key theme of the Autumn Visit, with Trustees participating in stakeholder events and museum tours in Derry/Londonderry that explored the region's complex history and current efforts to build understanding across communities. Meetings with civic leaders, community organisations, and academic experts helped reinforce the Society's commitment to supporting peacebuilding and inclusive development.

These activities have directly informed the strategic framework currently under development, ensuring that the Society's future direction is grounded in local context, stakeholder insight, and a commitment to long-term impact.

### CHARITABLE GRANTS

Applications for **small grants** to local not-for-profit organisations can be made through a simple process – by e-mail, post or via the Society's website (www.honourableirishsociety.org.uk). Applications are scrutinised by a Local Advisory Committee (LAC) which has existed since 1974 and is comprised of cross-party elected representatives drawn from three local authorities in the North-West established in April 2015: Causeway Coast & Glens Borough Council; Derry City & Strabane District Council; and Mid Ulster District Council. Our grants programme is open to all communities and supports groups and activities operating throughout the Northern Ireland and the Northwest in particulr on themes including education, community engagement, sports, culture, heritage among others. Over the course of the 24-25 year, the Society distributed £213,167 in over 130 grants to a range of organisations

*Education*
The Society's grant making in education is broad and inclusive, supporting children and young people from early years through to post-primary and further education. The aim is to raise educational attainment, promote inclusion, and ensure that children and young people-regardless of background or ability-can thrive in safe, supportive environments. The Society's grants help schools and groups address sustain their activity, innovate in teaching and learning, support individual students and respond to the needs of their communities.

Over the course of the 24-25 year, grants are awarded to:

- Primary and Post-Primary Schools: Funding supports prize-giving, STEM and ICT equipment, sensory and outdoor learning spaces, after-school clubs, and enrichment activities. For example, grants have enabled schools to purchase interactive whiteboards, develop sensory rooms for children with additional needs, and run extracurricular clubs such as LEGO therapy and music tuition.
- Early Years and Playgroups: Many grants are directed to rural and urban playgroups, helping them to purchase educational toys, outdoor play equipment, and resources to support language and social development. These grants are particularly important in areas of deprivation, ensuring that all children have access to high-quality early learning experiences.
- Special Educational Needs and Inclusion: The Society has funded sensory areas, communication aids for non-verbal children, and inclusive sports equipment, helping to break down barriers to participation and learning.
- Educational Charities and Programmes: Support is also given to organisations delivering mental health education, literacy and language programmes (including Irish language initiatives), and projects that help children transition between educational stages or cope with bereavement and trauma.
- Further and Higher Education: The Society provides grant support to both Ulster University and North West Regional College in order to provide a small number of scholarship grants to students in their institutions.

*Community*
The Society's community grants are designed to strengthen social cohesion, support vulnerable groups, build resilience, promote inclusion, and improve quality of life. By supporting grassroots organisations, the Society helps communities respond to local challenges, celebrate diversity, and create opportunities for all. Key areas of support include:

- Community Associations and Halls: Grants help local groups run intergenerational events, social clubs, and community festivals. Funding is used for equipment, venue improvements, and activities that bring people together, reduce isolation, and build local pride.
- Women's and Men's Groups: Support for women's centres, men's sheds, and similar organisations enables them to run health and wellbeing programmes, skills workshops, and social activities. These projects often target older people, carers, and those at risk of loneliness.
- Mental Health and Wellbeing: The Society funds counselling services, peer support groups, and mental health education, particularly for young people and those affected by trauma, bereavement, or disadvantage.
- Sports and Youth Clubs: Grants to football, cricket, boxing, and wheelchair basketball clubs help purchase equipment, run inclusive sessions, and support youth development. Many clubs use sport as a tool for cross-community engagement and personal growth.
- Arts, Culture, and Heritage: Funding supports local festivals, music bursaries, heritage projects, and language initiatives. These projects celebrate local identity, foster creativity, and encourage participation in cultural life.

*Environment*
Environmental stewardship is a core theme in the Society's grant making, reflecting its historic role as a fishery owner and its commitment to sustainability. Environmental grants aim to protect and enhance natural habitats, promote sustainable use of resources, and foster a culture of stewardship. By working with local clubs and community groups, the Society ensures that environmental benefits are shared widely and that future generations can enjoy healthy, vibrant ecosystems.
Key areas of support include:

- Angling Clubs and River Conservation: Grants to angling associations fund river maintenance, conservation equipment, and youth engagement activities. Projects include habitat restoration, bank protection, and educational events to promote responsible fishing and biodiversity.
- Biodiversity and Green Spaces: Funding is provided for wildflower meadows, community gardens, and outdoor learning projects. These initiatives enhance local environments, support pollinators, and provide spaces for recreation and education.
- Environmental Education: The Society supports programmes that teach children and adults about conservation, sustainability, and the importance of protecting natural resources. This includes "Hatchery in the Classroom" projects and partnerships with environmental charities.

In summary:
The Society's grant making in 2024-2025 has been wide-ranging and impactful, supporting education, community, and environmental projects that address local needs, promote inclusion and sustain important activities.

The support of a number of organisations and donors has been key to help us achieve this impact - the Society has been able to achieve a much greater charitable impact in Northern Ireland in recent years, thanks to the active support of City livery companies and the City of London Corporation. The trustees again acknowledge with much gratitude these donations and the ongoing commitment of those organisations and donors to the impact which the Society supports in Northern Ireland.

**Supporting Education Beyond Grantmaking**

The Honourable The Irish Society has a long and proud tradition of supporting education in County Derry/ Londonderry, extending far beyond financial grantmaking. Our enduring relationship with five historic schools- Culmore Primary School, Ballougry Primary School, The Irish Society's Primary School, DH Christie Memorial Primary School, and Millburn Primary School-reflects our deep-rooted commitment to educational excellence and community development.

These schools, founded by the Society centuries ago, continue to embody our values through their work in developing children and young people to be future citizens. In this financial year, the organisation is especially proud of our close engagement with Culmore and Ballougry schools as they pursue recognition as integrated schools. This journey represents a significant step towards fostering inclusive education that reflects the diverse communities they serve.

The Trustees have been strong supporters of this transition, recognising the importance of integrated education in promoting mutual understanding and respect among children from different backgrounds. We are heartened by the exceptionally high levels of parental support for this initiative, which underscores a shared vision for a more cohesive and inclusive future.

The Society believes that high-quality education is fundamental to enabling children to thrive throughout their lives. Our involvement with these schools is not only a matter of heritage but a forward-looking investment in the potential of every child. We remain committed to working alongside school leaders, parents, and local communities to ensure that these institutions continue to flourish as beacons of educational excellence and social cohesion.

Each year, the Society also supports opportunities for these schools to visit London, including educational tours of the Guildhall and the Guildhall Gallery. These visits are designed to enrich the curriculum by offering pupils a chance to explore civic history, art, and governance in a meaningful and engaging way. The trustees view these experiences as valuable extensions of classroom learning, helping to broaden horizons and inspire ambition among young learners.

**STEWARDSHIP OF THE RIVER BANN**

The Society continues to take seriously its custodial responsibilities for the River Bann, recognising its ecological, recreational, and cultural significance to communities across Northern Ireland. This year, we were pleased to report a substantial increase in fish numbers recorded at the Portna fish counter, with 14,716 fish counted, up from 3,429 in the previous year. This encouraging rise reflects the potential for recovery and resilience in the river's ecosystem when conditions are favourable.

While we welcome this progress, the Society remains deeply concerned about the persistent challenges to water quality, particularly the recurring algal blooms observed throughout the season. These blooms pose a serious threat to aquatic life, biodiversity, and the long-term sustainability of angling and recreational use of the river. The trustees are clear that playing our part in improving water quality must be a central priority in our future work.

Over the course of the year, the Society undertook significant engagement with local angling clubs, recognising their vital role in conservation and community wellbeing. These discussions have laid the groundwork for an ongoing discussion about a new partnership framework between the Society and the clubs that adds to our existing relationship by focusing on conserving fish stocks, sustaining angling as a beneficial community endeavour, and collaboratively addressing water quality issues.

This work was underpinned by a survey of angling clubs licensed by the Society, which revealed serious concerns about the sustainability of clubs and the ongoing pressures on fish populations. The Society is grateful for the honest and constructive feedback provided by the clubs and acknowledges the important voluntary conservation work they carry out year after year.

Beyond their environmental contributions, angling clubs provide significant social and community benefits. They offer inclusive spaces for people of all ages to connect with nature, develop skills, and build friendships. Angling promotes mental wellbeing, physical activity, and intergenerational engagement, making these clubs vital pillars of local life. The Society recognises and values the role these organisations play in fostering community cohesion and enriching the lives of those who participate.

The Society has concerns regarding the potential short and long-term impact of the recent weir refurbishment programme at Carnroe. The Society is actively monitoring the effects on the river and surrounding habitats and will continue to assess the implications for fish migration, water flow, and ecological balance. This issue will form an important part of our future strategic planning and engagement with stakeholders.

## COMMERCIAL PROPERTY ESTATE

During the year, the Charity received rental income of £146,798. Based on market valuations, trustees estimate that this represents a concession of approximately £41,000, foregone to advance charitable purposes. Concessionary lettings are considered a core element of the Charity's support to community and charitable organisations.

By charging rents well below market levels, the Charity enables local organisations to focus their resources on services for the community. In the past year, tenants benefited from reduced rents equivalent to a substantial subsidy, directly supporting community activities such as youth work; community development and enterprise development. This is a significant way the Charity furthers its purpose alongside grant-making

The key points relating to the Society's commercial property portfolio during the year were as follows:

- Income from the Society's property portfolio is reported on an 11-month basis and therefore not directly comparable to the figure for last year.
- A re-valuation of the Society's property estate was undertaken prior to 31 March 2025. This exercise resulted in an increase in the value of the Society's investment properties of £2,250,006. The Society's leasehold land and buildings also increased in value by £120,000.
- Over the course of this year, the Society was delighted to consult on a draft masterplan for the historical Spanboard site with the local community in Castleroe. Trustees recognise the potential of this proposed development to be a positive driver of regeneration as it will be a significant investment in the local area. The Society welcomed the positive engagement and feedback from people living in Castleroe. The vision behind the plan is for the development of a vibrant riverfront within its natural setting along the western edge of the Bann at Castleroe, by sensitively regenerating this derelict site; including widening the functions/uses and capacity of the land; improving the public accessibility between the river and Castleroe; & facilitation of part of a wider pedestrian/cycle connection with Coleraine town for the benefit of all the community, including assisting The Societies charitable functions, creating an exceptionally attractive village environment, while protecting the essence of the natural & archaeological features of the area in and around the Bann as a valued leisure and amenity asset. The feedback gathered from consultees has been important to inform the ongoing development of the plan.
- We were also delighted to progress the sale of the site at 38 Castleroe Road (previously referred to as the Lab Site). The site was agreed for sale by year end and the transaction will complete in the new financial year.

## FINANCIAL REVIEW

It is the policy of the trustees to generate sufficient income to pay for the Society's charitable purposes and management each year, while maintaining the overall value of the Society's assets, so that it may continue to achieve its charitable objectives into the future. The trustees aim to spend increased resources each year on charitable activities based on budgeted income and expenditure, while at the same time maintaining sufficient reserves to meet any expected capital requirements. In the interest of exercising effective governance and proper resource management The Honourable The Irish Society will create reasonable reserves to reflect the organisational need to meet organisational liabilities. It is the aim of the Society's reserves policy to hold no less than 3 months and no more than 6 months of reserves to support this responsibility.

The Society has a number of mainly commercial properties and property interests in Northern Ireland which it uses to generate income for grant-giving purposes in support of its activities. The property portfolio was professionally revalued in early 2025 with a total restated value of £6.052M (up from £3.8m in 2021).

The Society also has an investment portfolio managed on a discretionary basis by external fund managers – CCLA Fund Managers Ltd and Cazenove Capital Management. The overall portfolios held by both companies experienced volatility with the value of investments decreasing by £189,329 at the end of the reporting period. The portfolios are monitored by the trustees against industry benchmarks and a specific target.

The Society's cash investments are deposited in the charities pooled fund operated by the City of London Corporation and managed externally on its behalf.

During the 2024/2025 year, the Society's Court designated 2 funds for the Society's reserves which are detailed in Note 22 of these accounts. The impact of this designation is that the Society's Free Reserves are expressed as a negative balance of (£343,864).

## REVIEW OF CHARITABLE ACTIVITIES IN THE YEAR

The change in reporting period in this financial year has a material impact on the performance being reported in this report. Total income of £611,416 (2024: £684,103) set against total expenditure of £681,759 (2024: £792,254) has resulted in a trading deficit of £70,163 (2024: Deficit £108,151).

The performance of the Society's investments, in particular the revaluation of the Society's investment property portfolio with an overall unrealised gain of £2,060,677, has mitigated this revenue performance resulting in a net position of £1,990,334 for the 11 month period ending on 31 March 2025.

The ongoing volatility of the global financial market was a significant feature of discussion when the Society's Finance Committee met with Fund Managers at Cazenove and CCLA in March 2025. It is anticipated that the global geo-political environment will continue to result in short term fluctuations in the value of the Society's portfolio.

## PLANS FOR FUTURE PERIODS

Looking ahead, The Honourable The Irish Society is committed to delivering a bold and forward-looking strategy that builds on our historic legacy while responding to the evolving needs of communities across the Northwest of Northern Ireland. Our plans for future periods are shaped by strong stakeholder engagement, which has been instrumental in identifying priorities, refining our strategic goals, and ensuring our work remains relevant and impactful.

At the heart of our strategy is a vision of peaceful communities, flourishing waterways, and strengthened connections between the Northwest and London. We will continue to empower communities through philanthropy, preservation, and partnership, focusing our resources on areas where they can deliver the greatest benefit.

Key strategic goals include:

- Strengthening access to early years provision, recognising its transformative impact on lifelong outcomes.
- Improving river environments, with a particular focus on water quality, biodiversity, and sustainable fish stocks.
- Promoting culture and heritage, as a means of fostering community cohesion and celebrating diversity.
- Growing our impact, through sustainable income generation, digital transformation, and expanding our supporter base.

To achieve these goals, the Society will:

- Maximise the benefit of our property portfolio, including regeneration initiatives such as the development of land at Castleroe.
- Enhance our digital infrastructure to improve communication, transparency, and stakeholder engagement.
- Establish new networks of support, such as the 'Friends of the Society' in London, to amplify our reach and influence.
- Develop an outcomes framework to guide and measure the effectiveness of our work.

We will continue to make grants that support impactful community-led projects, convene stakeholders to foster collaboration, and advocate for the needs of communities. Our engagement with stakeholders-ranging from local councils and angling clubs to educational institutions and community organisations-has been central to shaping this strategy. Their insights, experiences, and aspirations have helped us define a path forward that is inclusive, ambitious, and rooted in the realities of those we serve.

The Society also recognises the importance of reconciliation as a foundational element of our future work. Reconciliation in Northern Ireland remains a complex and essential challenge, rooted in historical, political, and social contexts. Our strategy acknowledges the need to build positive relationships across communities, address the legacy of the past, and support cultural and attitudinal change. We are committed to contributing to a more equitable and inclusive society, where all communities-regardless of background-can thrive together in peace and mutual respect.

## STRUCTURE, MANAGEMENT & GOVERNANCE

The Society is administered by a Court of 15 trustees, which meets at least four times a year. All are Aldermen/ women or Common Councillors of the City of London Corporation and elected onto the Court of the Irish Society by fellow members of the Court of Aldermen and Common Council. Trustees for the period covered by the Report & Financial Statements are listed under Charity Information.

The Society requires all trustees to commit to a written Code of Conduct governing their behaviour; all new trustees are given an introduction to the work of the Society and provided with copies of recent accounts and minutes of meetings; and are encouraged to participate in at least one formal visit to Northern Ireland as early as possible following appointment, to see the operations of the Society and the difference its grants make to the community. The Charity's Secretary is based in Coleraine, Northern Ireland, and the Assistant Secretary at Guildhall in London.

The trustees confirm that they are aware of the Guidance promulgated by the Charity Commission under the Charities Act 2011 in relation to Public Benefit, recognise their obligation to have regard thereto and – from the feedback received from grant recipients – are confident that their activities are delivering Public Benefit.

The Irish Society's Court has appointed a number of Committees including a Finance Committee; a Property Committee and a Bann Committee. The Society avails of specialist advice as and when required to support the work of governance. The Society wishes to formally thank the advisors and subject matter specialists who sit as advisors to the Society on those committees.

## KEY MANAGEMENT PERSONNEL REMUNERATION

The Court and the CEO are the key management personnel in charge of directing, controlling, running and operating the Society on a day-to-day basis. All trustees give of their time freely and no trustee remuneration was paid in the year. Details of reimbursed expenses and related party transactions are disclosed in the notes to the accounts.

Trustees are required to disclose all relevant interests; and withdraw from discussion / decisions where a potential conflict of interest arises. The Assistant Secretary maintains a Register using information drawn from the City of London Corporation's declarations of interest.

The Secretary's salary is reviewed annually and, like that of other staff, normally increased in accordance with average earnings. In view of the nature of the Society, its economy of operations, and the extensive use of professional advisers, the trustees consider that a multiple of up to three times the median average salary for UK employees is appropriate for the role of Secretary. The remuneration is also benchmarked with grant-making charities of a similar size and activity to ensure that the level set is fair and not out of line with that generally paid for similar roles.

## RISK MANAGEMENT

Trustees are mindful of the Society's policy on Risk Management. Trustees consider that risk is effectively managed within the organisation, including through regular attention to the Risk Register at appropriate levels. In terms of financial risk, the trustees consider that the assets of the Society will continue to be well diversified.

## STATEMENT OF THE COURT'S RESPONSIBILITIES

The Court is responsible for preparing a trustees' annual report and financial statements in accordance with applicable law and Relevant Financial Reporting Framework. The Court is required to prepare financial statements for each year, which give a true and fair view of the state of affairs of the Society and of the incoming resources and application of resources of the Society for that period. In preparing those financial statements, the Court is required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Society will continue in business.

The Court is responsible for maintaining proper accounting records that disclose with reasonable accuracy at any time the financial position of the Society and to enable them to ensure that the financial statements comply with the Charities Act 2011 and the applicable Charities (Accounts and Reports) Regulations. It is also responsible for safeguarding the assets of the Society and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Court is responsible for the maintenance and integrity of the charity and financial information included on the charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements.

## DISCLOSURE OF INFORMATION TO AUDITOR

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The Trustees report was approved by Order of the Court

Alderman Vincent Keaveny, CBE
Governor

15 October 2025

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## INDEPENDENT AUDITOR'S REPORT

## TO THE TRUSTEES OF THE HONOURABLE THE IRISH SOCIETY

### Opinion

We have audited the financial statements of The Honourable The Irish Society (the 'Society') for the 11 months ended 31 March 2025 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2025 and of its incoming resources and application of resources, for the 11 months then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the Charities Act 2011.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the Society in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Society'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.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

### Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

**Responsibilities of trustees**

As explained more fully in the Statement of the Court's Responsibilities, the Court is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the Society'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 trustees either intend to cease operations, or have no realistic alternative but to do so.

**Auditor's responsibilities for the audit of the financial statements**

We have been appointed as auditors under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our 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 an auditor's report that includes our 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.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities including fraud and non-compliance with laws and regulations, was as follows:

- we identified the laws and regulations applicable to the Society through discussions with trustees and management, and from our commercial knowledge and experience of the sector;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence.

We assessed the susceptibility of the Society's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations; and
- performing analytical procedures to identify any unusual or unexpected relationships;
- testing journal entries to identify unusual transactions;
- assessing whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias;
- investigating the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statements disclosures to underlying supporting documentation;
- enquiring of management as to actual and potential litigation and claims;
- reviewing correspondence with HMRC, relevant regulators and the Society's legal advisors.

There are inherent limitations in our audit procedures described above. The more removed laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

## TO THE TRUSTEES OF THE HONOURABLE THE IRISH SOCIETY

This report is made solely to the Society's trustees, as a body, in accordance with the Charities Act 2011. Our audit work has been undertaken so that we might state to the Society's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Society and the Society's trustees as a body for our audit work, for this report, or for the opinions we have formed.

**Mr Roger Dallas (Senior Statutory Auditor)**
For and on behalf of IDS Chartered Accountants LLP, Statutory Auditor
Chartered Accountants
23/25 Queen Street
COLERAINE
Co Londonderry
BT52 1BG

15 October 2025

IDS Chartered Accountants LLP is eligible for appointment as auditor of the Society by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

# THE HONOURABLE THE IRISH SOCIETY

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## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

### *FOR THE 11 MONTHS ENDED 31 MARCH 2025*

| | Notes | Unrestricted funds 2025 £ | Restricted funds 2025 £ | Total 2025 £ | Total 2024 £ |
|---|---|---|---|---|---|
| **Income and endowments from:** | | | | | |
| Donations and legacies | 3 | 31,480 | 63,010 | 94,490 | 92,000 |
| Other trading activities | 4 | 268,097 | - | 268,097 | 314,980 |
| Investments | 5 | 239,401 | - | 239,401 | 265,614 |
| Other income | 6 | 9,428 | - | 9,428 | 11,509 |
| **Total income** | | 548,406 | 63,010 | 611,416 | 684,103 |
| **Expenditure on:** | | | | | |
| Managing funds | 7 | 7,268 | - | 7,268 | 3,618 |
| Charitable activities | 8 | 620,294 | 54,197 | 674,491 | 788,636 |
| **Total expenditure** | | 627,562 | 54,197 | 681,759 | 792,254 |
| Net gains/(losses) on investments | 15 | 2,060,677 | - | 2,060,677 | 375,334 |
| **Net income** | | 1,981,521 | 8,813 | 1,990,334 | 267,183 |
| **Other recognised gains and losses:** | | | | | |
| Revaluation of tangible and intangible fixed assets | | 513,569 | - | 513,569 | - |
| **Net movement in funds** | 9 | 2,495,090 | 8,813 | 2,503,903 | 267,183 |
| **Reconciliation of funds:** | | | | | |
| Fund balances at 1 May 2024 | | 12,331,312 | 1,400 | 12,332,712 | 12,065,529 |
| **Fund balances at 31 March 2025** | | 14,826,402 | 10,213 | 14,836,615 | 12,332,712 |

All income and expenditure derive from continuing activities.

# THE HONOURABLE THE IRISH SOCIETY

## BALANCE SHEET

### *AS AT 31 MARCH 2025*

| | Notes | £ | 2025<br>£ | £ | 2024<br>£ |
|---|---|---|---|---|---|
| **Fixed assets** | | | | | |
| Intangible assets | **16** | | 277,000 | | - |
| Tangible assets | **17** | | 908,953 | | 674,947 |
| Investment properties | **18** | | 6,052,006 | | 3,802,000 |
| Investments | **20** | | 7,529,770 | | 7,681,099 |
| | | | 14,767,729 | | 12,158,046 |
| **Current assets** | | | | | |
| Debtors | **19** | 32,332 | | 185,974 | |
| Cash at bank and in hand | | 175,132 | | 212,654 | |
| | | 207,464 | | 398,628 | |
| **Creditors: amounts falling due within one year** | **21** | (138,578) | | (223,962) | |
| Net current assets | | | 68,886 | | 174,666 |
| **Total assets less current liabilities** | | | 14,836,615 | | 12,332,711 |
| **Income funds** | | | | | |
| Restricted funds | **22** | | 10,213 | | 1,400 |
| Unrestricted funds | | | | | |
| Designated funds | **23** | 14,758,770 | | (166,130) | |
| General unrestricted funds | | (620,858) | | 12,322,520 | |
| Revaluation reserve | | 688,490 | | 174,921 | |
| | | | 14,826,402 | | 12,331,311 |
| | | | 14,836,615 | | 12,332,711 |

The financial statements were approved by the Trustees on 15 October 2025

**Trustee**

# THE HONOURABLE THE IRISH SOCIETY

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## STATEMENT OF CASH FLOWS

### *FOR THE 11 MONTHS ENDED 31 MARCH 2025*

| | Notes | £ | 2025<br>£ | £ | 2024<br>£ |
|---|---|---|---|---|---|
| **Cash flows from operating activities** | | | | | |
| Cash absorbed by operations | **29** | | (237,132) | | (312,875) |
| **Investing activities** | | | | | |
| Purchase of tangible fixed assets | | (1,792) | | (4,375) | |
| Purchase of investments | | (38,000) | | - | |
| Schroders fees deducted at source | | - | | 3,176 | |
| Investment income received | | 239,402 | | 265,614 | |
| **Net cash generated from investing activities** | | | 199,610 | | 264,415 |
| **Net cash generated from financing activities** | | | - | | - |
| **Net decrease in cash and cash equivalents** | | | (37,522) | | (48,460) |
| Cash and cash equivalents at beginning of 11 months | | | 212,654 | | 261,114 |
| **Cash and cash equivalents at end of 11 months** | | | 175,132 | | 212,654 |

## 1 Accounting policies

**Charity information**

The Honourable The Irish Society is a public benefit entity as defined by FRS102.

### 1.1 Reporting period

During the year, the charity changed it's reporting period from 30 April to 31 March in order to align with the more commonly used 31 March year annually.

As a result, these financial statements cover a short accounting period of 11 months from 1 May 2024 to 31 March 2025. Comparative figures shown are for the 12 months to 30 April 2024, and therefore may not be directly comparable.

### 1.2 Accounting convention

The financial statements have been prepared in accordance with the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016). The Society is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the Society. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

### 1.3 Going concern

At the time of approving the accounts, the trustees have a reasonable expectation that the Society has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the accounts.

With respect to the next reporting period, the most significant areas of uncertainty that affect the carrying value of assets held by the Society are the levels of investment return and the performance of investment markets (see the Risk Management and Financial Review sections of the Trustees' report for more information).

### 1.4 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in notes 3 and 8 to the financial statements.

### 1.5 Incoming resources

All income is recognised once:

- the charity has entitlement to the income;
- it is probable that the income will be received; and
- the amount of income receivable can be measured reliably.

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, VAT and other sales related taxes.

**1 Accounting policies** **(Continued)**

**1.6 Resources expended**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the Society to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses including support costs and governance costs are allocated or apportioned to the applicable expenditure headings.

Irrecoverable VAT is charged against the expenditure heading for which it was incurred.

The costs of generating funds consists solely of investment management fees.

Costs of charitable activities include grants made, governance costs and an apportionment of support costs as shown in Note 8.

Support costs have been allocated between governance costs and other support costs. Support costs include office and staff costs and have been allocated to the activity cost category or on a basis consistent with the use of resources – e.g. staff costs by the time spent, and other costs by their usage.

Governance costs comprise all costs involving the public accountability of the Society and its compliance with regulation and good practice. Governance costs include the governance arrangements which relate to the general running of the charity as opposed to the direct management functions in generating funds, service delivery, project work and grant making. These costs include such items as external legal advice, Trustees' expenses are associated with visits to Northern Ireland.

The allocation of support and governance costs is analysed in Note 12.

**1.7 Intangible fixed assets other than goodwill**

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably; the intangible asset arises from contractual or other legal rights; and the intangible asset is separable from the entity.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

| | |
|---|---|
| Licence/Rights | nil |

**1 Accounting policies** **(Continued)**

**1.8 Tangible fixed assets**

The Society's properties were valued in the current financial year by O'Connor Kennedy Turtle, Chartered Surveyors, providing a market value as at 20 March 2025, in line with the Society's intentions of carrying out a formal valuation of its properties every five years in accordance with FRS 102.

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

| | |
|---|---|
| Leasehold land and buildings | Straight line over 50 years |
| Motor vehicles and boats | 25% straight line |
| Furniture and office equipment | 20% straight line |

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

Other properties occupied by the Society are not treated as investment properties. These are depreciated on a straight line basis over fifty years. They are similarly valued at least once in every five years and included in the above report.

**1.9 Investment properties**

Investment property, which is property held to earn rentals and/or for capital appreciation, is measured using the fair value model and stated at its fair value at the reporting end date. The surplus or deficit on revaluation is recognised in net income/(expenditure) for the year. No depreciation is provided on investment properties, in accordance with accounting standards. The majority of the investment properties which are generating rental income are valued by reference to yield. Those which are not generating rental income have been valued at the Trustees' best estimates.

**1.10 Fixed asset investments**

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

The Society does not acquire put options, derivatives or other complex financial instruments.

The main form of financial risk faced by the Society is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

**Realised gains and losses**

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

**1.11 Impairment of fixed assets**

At each reporting end date, the Society reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

**1 Accounting policies** **(Continued)**

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in income/ (expenditure) for the year, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately, unless the relevant asset is carried in at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

**1.12 Cash and cash equivalents**

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

**1.13 Financial instruments**

The Society has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Society's balance sheet when the Society becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

***Basic financial assets***

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

***Basic financial liabilities***

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

***Derecognition of financial liabilities***

Financial liabilities are derecognised when the Society's contractual obligations expire or are discharged or cancelled.

**1 Accounting policies** **(Continued)**

**1.14 Taxation**

The Society is not liable to tax on capital gains, rent, investment income and certain other income.

**1.15 Employee benefits**

Termination benefits are recognised immediately as an expense when the Society is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

**2 Critical accounting estimates and judgements**

In the application of the Society's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

**Valuation of investment properties**

Investment properties were revalued as at 20 March 2025. It is the Society's policy to obtain external valuations every 5 years.

**3 Donations and grants**

| | Unrestricted funds | Restricted funds | Total | Total |
|---|---|---|---|---|
| | 2025 | 2025 | 2025 | 2024 |
| | £ | £ | £ | £ |
| Donations and grants | 31,480 | 63,010 | 94,490 | 92,000 |
| **For the 11 months ended 30 April 2024** | 30,000 | 62,000 | | 92,000 |
| **Donations and gifts** | | | | |
| Grant from Drapers | - | 30,000 | 30,000 | 30,000 |
| Clothworkers grant | - | 20,000 | 20,000 | 20,000 |
| Annual contributions to small grants 2024-25 (9th year of 10) | 30,000 | - | 30,000 | 30,000 |
| Drapers to Co-Operation Ireland | - | 10,000 | 10,000 | 10,000 |
| Other | 1,480 | 3,010 | 4,490 | 2,000 |
| | 31,480 | 63,010 | 94,490 | 92,000 |

## 4 Income from other trading activities

| | Unrestricted funds 2025 £ | Unrestricted funds 2024 £ |
|---|---|---|
| Commercial property rent | 146,798 | 181,280 |
| Fishing, coarse, game and sporting | 121,299 | 133,700 |
| Other trading activities | 268,097 | 314,980 |

## 5 Investment income

| | Unrestricted funds 2025 £ | Unrestricted funds 2024 £ |
|---|---|---|
| Income from unlisted investments | 800 | - |
| Dividends - equities | 238,601 | 265,614 |
| | 239,401 | 265,614 |

## 6 Other income

| | Unrestricted funds 2025 £ | Unrestricted funds 2024 £ |
|---|---|---|
| Other income | 9,428 | 11,509 |

## 7 Managing funds

| | Unrestricted funds 2025 £ | Unrestricted funds 2024 £ |
|---|---|---|
| Investment management fees | 7,268 | 3,618 |
| | 7,268 | 3,618 |

## 8 Charitable activities

| | Education | Community Development | Environmental Protection & Improvement | Total 2025 | 2024 |
|---|---|---|---|---|---|
| | £ | £ | £ | £ | £ |
| Grant funding of activities (see note 10) | 101,875 | 97,992 | 13,300 | 213,167 | 266,228 |
| Share of support costs (see note 12) | 81,447 | 81,447 | 244,342 | 407,236 | 433,265 |
| Share of governance costs (see note 12) | 10,817 | 10,817 | 32,452 | 54,086 | 89,140 |
| | 194,141 | 190,256 | 290,094 | 674,491 | 788,636 |
| **Analysis by fund** | | | | | |
| Unrestricted funds | 167,386 | 163,614 | 289,294 | 620,294 | |
| Restricted funds | 26,755 | 26,642 | 800 | 54,197 | |
| | 194,141 | 190,256 | 290,094 | 674,491 | |
| **For the 11 months ended 30 April 2024** | | | | | |
| Unrestricted funds | 188,212 | 202,161 | 337,663 | | 728,036 |
| Restricted funds | 30,781 | 29,819 | - | | 60,600 |
| | 218,993 | 231,980 | 337,663 | | 788,636 |

## 9 Net movement in funds

| | 2025 | 2024 |
|---|---|---|
| | £ | £ |
| The net movement in funds is stated after charging/(crediting): | | |
| Fees payable for the audit of the charity's financial statements | 2,400 | 2,400 |
| Depreciation of owned tangible fixed assets | 4,354 | 20,445 |

## 10 Grants payable

| | Education | Community Development | Environmental Protection & Improvement | Total 2025 | Total 2024 |
|---|---|---|---|---|---|
| | 2025 | 2025 | 2025 | | |
| | £ | £ | £ | £ | £ |
| Grants to institutions: | | | | | |
| Advisory Committee | 17,150 | 40,600 | 1,000 | 58,750 | 68,450 |
| Clothworkers | 3,800 | 16,900 | - | 20,700 | 29,300 |
| Drapers | 9,945 | 9,742 | 800 | 20,487 | 29,300 |
| London Budget | 57,470 | 30,000 | 11,500 | 98,970 | 137,431 |
| Drapers to Co-operation Ireland | 10,000 | - | - | 10,000 | - |
| Other | 3,010 | - | - | 3,010 | - |
| | 101,375 | 97,242 | 13,300 | 211,917 | 264,478 |
| Grants to individuals | 500 | 750 | - | 1,250 | 1,750 |
| | 101,875 | 97,992 | 13,300 | 213,167 | 266,228 |

The Society makes grants for assistance in line with its aims of promoting the welfare of County Londonderry and adjoining areas in Northern Ireland. Grants are made on a cross-community basis to local organisations and individuals for deserving causes and to local primary, secondary and tertiary educational establishments. Details of some of the London grants that the Society paid out during the year can be seen in the Trustees' Report (pages 4-5). Full details of all Advisory Committee, Drapers' and Clothworkers' grants can be found on the Society's website. Grants payable are payments made in furtherance of the charitable objectives of the Society.

## 11 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the Society during the 11 months. Expense claims totalling **£369** (2024: £2,387) were reimbursed by the Society for travel and subsistence on behalf of **one** trustee.

During the period payments were made on behalf of the trustees totalling **£16,725**.

These payments reflect the cost of facilitating the annual programme of visits in Spring, Summer and Autumn each year by trustees to lead stakeholder engagement locally.

## 12 Support costs

| | Support costs | Governance costs | 2025 | 2024 |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| Staff costs | 215,454 | 39,822 | 255,277 | 277,159 |
| Depreciation | 4,354 | - | 4,354 | 20,445 |
| Rent, rates, insurance & utilities | 24,613 | - | 24,613 | 29,984 |
| Repairs & maintenance | 42,669 | - | 42,669 | 48,399 |
| Advertising, PR, & printing | 5,839 | - | 5,839 | 3,854 |
| Telephone | 2,318 | - | 2,318 | 2,524 |
| Computer & website costs | 4,660 | - | 4,660 | 5,745 |
| Motor & travel | 34,045 | - | 34,045 | 43,883 |
| Legal & professional (NI property) | 59,992 | - | 59,992 | 31,634 |
| Audit & accountancy | 2,205 | - | 2,205 | 2,178 |
| Bad debt provision | 6,854 | - | 6,854 | 9,325 |
| General (office sundries, stationery, subscriptions) | 4,233 | - | 4,233 | 5,994 |
| Audit fees | - | 2,400 | 2,400 | 2,400 |
| Accountancy | - | 2,550 | 2,550 | 1,600 |
| Legal and professional fees (non property) | - | 9,313 | 9,313 | 37,279 |
| | 407,236 | 54,086 | 461,322 | 522,403 |
| Analysed between | | | | |
| Charitable activities | 407,236 | 54,086 | 461,322 | 522,405 |

Governance costs includes payments to the auditors of **£2,400 (2024 - £2,400)** for audit fees, and additional accounts preparation work of **£2,550 (2024 - £1,600).**

## 13 Employees

**Number of employees**

The average monthly number of full time equivalent employees during the 11 months was:

| | **2025** | 2024 |
|---|---|---|
| | **Number** | Number |
| Direct charitable activities | 3 | 4 |
| Administration | 2 | 2 |
| | 5 | 6 |

| **Employment costs** | **2025** | 2024 |
|---|---|---|
| | **£** | £ |
| Wages and salaries | 198,470 | 214,848 |
| Social security costs | 20,399 | 23,103 |
| Other pension costs | 36,407 | 39,208 |
| | 255,276 | 277,159 |

No member of the Court received any remuneration.

The number of employees who received total employee benefits (excluding employer pension costs) of more than £60,000 is as follows:

| | **2025** | 2024 |
|---|---|---|
| | **Number** | Number |
| £60,001-£70,000 | 1 | - |
| £70,001-£80,000 | - | 1 |

## 14 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

## 15 Gains and losses on investments

| | Unrestricted funds 2025 | Unrestricted funds 2024 |
|---|---|---|
| Gains/(losses) arising on: | £ | £ |
| Revaluation of investments | (189,329) | 375,334 |
| Revaluation of investment properties | 2,250,006 | - |
| | 2,060,677 | 375,334 |

## 16 Intangible fixed assets

| | Licence/Rights |
|---|---|
| | £ |
| **Cost** | |
| At 1 May 2024 | - |
| Revaluation | 277,000 |
| At 31 March 2025 | 277,000 |
| **Amortisation and impairment** | |
| At 1 May 2024 and 31 March 2025 | - |
| **Carrying amount** | |
| At 31 March 2025 | 277,000 |
| At 30 April 2024 | - |

## 17 Tangible fixed assets

| | Leasehold land and buildings | Motor vehicles and boats | Furniture and office equipment | Total |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| **Cost or valuation** | | | | |
| At 1 May 2024 | 780,000 | 57,875 | 26,255 | 864,130 |
| Additions | - | 1,792 | - | 1,792 |
| Revaluation | 120,000 | - | - | 120,000 |
| At 31 March 2025 | 900,000 | 59,667 | 26,255 | 985,922 |
| **Depreciation and impairment** | | | | |
| At 1 May 2024 | 116,569 | 50,399 | 22,216 | 189,184 |
| Depreciation charged in the 11 months | - | 3,239 | 1,115 | 4,354 |
| Revaluation | (116,569) | - | - | (116,569) |
| At 31 March 2025 | - | 53,638 | 23,331 | 76,969 |
| **Carrying amount** | | | | |
| At 31 March 2025 | 900,000 | 6,029 | 2,924 | 908,953 |
| At 30 April 2024 | 663,431 | 7,476 | 4,040 | 674,947 |

Land and buildings with a carrying amount of £900,000 were revalued at 20 March 2025 by O'Connor Kennedy Turtle, independent valuers not connected with the Society on the basis of market value. The valuation conforms to International Valuation Standards and was based on recent market transactions on arm's length terms for similar properties.

The Society owns paintings, silver and other fixed assets in Northern Ireland, which are included at a £Nil book value but were valued in June 2011 by Danny Kinahan Fine Art & Antiques at £272,630. The Society also owns some silver items, five badges of office, a 17th Century (copy) Royal Charter and a modern Charter, all normally held in London and together valued at £100,000. No further valuations have been obtained since June 2011.

## 18 Investment property

| | 2025 |
|---|---|
| | £ |
| **Fair value** | |
| At 1 May 2024 | 3,802,000 |
| Net gains or losses through fair value adjustments | 2,250,006 |
| At 31 March 2025 | 6,052,006 |

Investment property comprises a number of different commercial properties. The fair value of the investment properties has been arrived at on the basis of a valuation carried out at 20 March 2025 by O'Connor Kennedy Turtle Chartered Surveyors, who are not connected with the Society. The valuation was made on an open market value basis by reference to market evidence of transaction prices for similar properties. It is the accounting policy of the company to obtain independent valuations for investment properties every five years.

## 19 Debtors

| Amounts falling due within one year: | 2025 £ | 2024 £ |
|---|---|---|
| Trade debtors | 17,229 | 114,224 |
| Other debtors | 8,472 | 64,693 |
| Prepayments and accrued income | 6,631 | 7,057 |
| | 32,332 | 185,974 |

## 20 Fixed asset investments

| | Listed investments £ | Other investments £ | Total £ |
|---|---|---|---|
| **Cost or valuation** | | | |
| At 1 May 2024 | 7,681,097 | 2 | 7,681,099 |
| Additions | 38,000 | - | 38,000 |
| Movement in cash held | (189,329) | - | (189,329) |
| At 31 March 2025 | 7,529,768 | 2 | 7,529,770 |
| **Carrying amount** | | | |
| At 31 March 2025 | 7,529,768 | 2 | 7,529,770 |
| At 30 April 2024 | 7,681,097 | 2 | 7,681,099 |

## 21 Creditors: amounts falling due within one year

| | 2025 £ | 2024 £ |
|---|---|---|
| Other taxation and social security | - | 27,436 |
| Trade creditors | 43,777 | 12,644 |
| Other creditors | 65,329 | 106,930 |
| Accruals and deferred income | 29,472 | 76,952 |
| | 138,578 | 223,962 |

## 22 Restricted funds

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

| | At 1 May 2024 | Incoming resources | Resources expended | Balances restated | At 31 March 2025 |
|---|---|---|---|---|---|
| | £ | £ | £ | £ | £ |
| | 1,400 | 63,010 | (54,197) | - | 10,213 |

| Previous year: | At 1 May 2023 | Incoming resources | Resources expended | Balances restated | At 30 April 2024 |
|---|---|---|---|---|---|
| | £ | £ | £ | £ | £ |
| | 166,130 | 62,000 | (60,600) | (166,130) | 1,400 |

## 23 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

| | At 1 May 2024 | Incoming resources | Resources expended | Transfers | Gains and losses | At 31 March 2025 |
|---|---|---|---|---|---|---|
| | £ | £ | £ | £ | £ | £ |
| Sustainability fund | - | - | - | 7,529,770 | - | 7,529,770 |
| Property fund | - | - | - | 7,229,000 | - | 7,229,000 |
| General funds | 12,156,391 | 548,406 | (627,562) | (14,758,770) | 2,060,677 | (620,858) |
| | 12,156,391 | 548,406 | (627,562) | - | 2,060,677 | 14,137,912 |
| Revaluation reserve | 174,921 | - | - | - | 513,569 | 688,490 |
| | 12,331,312 | 548,406 | (627,562) | - | 2,574,246 | 14,826,402 |

| Previous year: | At 1 May 2023 | Incoming resources | Resources expended | Transfers | Gains and losses | At 30 April 2024 |
|---|---|---|---|---|---|---|
| | £ | £ | £ | £ | £ | £ |
| General funds | 11,724,477 | 622,103 | (731,654) | 166,130 | 375,334 | 12,156,390 |
| | 11,724,477 | 622,103 | (731,654) | 166,130 | 375,334 | 12,156,390 |
| Revaluation reserve | 174,921 | - | - | - | - | 174,921 |
| | 11,899,398 | 622,103 | (731,654) | 166,130 | 375,334 | 12,331,311 |

## 24 Retirement benefit schemes

**Defined contribution schemes**

The Society operates a Pension Scheme providing benefits based on final pensionable pay for all of its employees.

The assets of the Scheme are held separately from those of the Society in the City of London Corporation Pension Fund.

The Scheme is a funded, defined benefit scheme. However it is also classified as a multi-employer scheme under FRS 102. Although the employer's contributions are affected by a surplus or deficit in the scheme, the employer is unable to identify its share of the underlying assets and liabilities in the scheme on a consistent and reasonable basis.

As a result, the Scheme is accounted for as if it were a defined contribution scheme, as required by FRS 102. The employer's contributions made to the Scheme in the period were £36,407 (2024: £31,852), with an employer's contribution rate of 21% of pensionable pay. Employee's contributions were between 5.8% and 8.5% of pensionable pay.

| Valuation date | 31 March 2022 | 31 March 2019 |
|---|---|---|
| Value of assets (smoothed) | £1,370m | £1,063m |
| Value of liabilities | £1,404m | £1,176m |
| Funding level of accrued benefits | 98% | 90% |
| Investment return on future contributions per annum | 4.6% | 5.7% |
| Investment return on accumulated assets per annum | 4.6% | 5.7% |
| Pension increases per annum | 2.9% | 2.6% |
| Rate of price inflation | 2.9% | 2.6% |

## 25 Analysis of net assets between funds

| | Unrestricted 2025 | Restricted 2025 | Total 2025 | Unrestricted 2024 | Restricted 2024 | Total 2024 |
|---|---|---|---|---|---|---|
| | £ | £ | £ | £ | £ | £ |
| Fund balances at 31 March 2025 are represented by: | | | | | | |
| Intangible fixed assets | 277,000 | - | 277,000 | - | - | - |
| Tangible assets | 908,953 | - | 908,953 | 674,947 | - | 674,947 |
| Investment properties | 6,052,006 | - | 6,052,006 | 3,802,000 | - | 3,802,000 |
| Investments | 7,529,770 | - | 7,529,770 | 7,681,099 | - | 7,681,099 |
| Current assets/(liabilities) | 58,673 | 10,213 | 68,886 | 173,266 | 1,400 | 174,666 |
| | 14,826,402 | 10,213 | 14,836,615 | 12,331,311 | 1,400 | 12,332,711 |

## 26 Events after the reporting date

One of the society's investment properties, valued at £1,000,000 by independent valuers OKT in March 2025, was sold after the year-end for consideration in the amount of £1,100,000.

## 27 Operating lease commitments

**Lessee**

At the reporting end date the Society had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

| | 2025 | 2024 |
|---|---|---|
| | £ | £ |
| Within one year | 550 | 550 |

**Lessor**

This refers to the monthly Licence to Occupy arrangement with the City of London Corporation in respect of the Society's office at Guildhall, London.

## 28 Related party transactions

**Remuneration of key management personnel**

The remuneration of key management personnel was as follows:

| | 2025 | 2024 |
|---|---|---|
| | £ | £ |
| Aggregate compensation | **89,369** | 124,533 |

The Society considers its key management personnel to comprise the Trustees and the Society's Secretary.

No guarantees have been given or received.

## 29 Cash absorbed by operations

| | 2025 | 2024 |
|---|---|---|
| | £ | £ |
| Surplus for the 11 months | 1,990,334 | 267,183 |
| **Adjustments for:** | | |
| Investment income recognised in statement of financial activities | (239,401) | (265,614) |
| Fair value gains and losses on investment properties | (2,250,006) | - |
| Fair value gains and losses on investments | 189,329 | (375,334) |
| Depreciation and impairment of tangible fixed assets | 4,354 | 20,445 |
| **Movements in working capital:** | | |
| Decrease in debtors | 153,642 | 4,980 |
| (Decrease)/increase in creditors | (85,384) | 35,465 |
| **Cash absorbed by operations** | (237,132) | (312,875) |

The Honourable The Irish Society

**Our Mission Statement:**

***'To work in partnership for the economic and social benefit of Northern Ireland'***

**For more information about how to join us in helping communities in Northern Ireland, contact us at:**

**office@irishsociety.co.uk**

**or visit our website at:**

**www.honourableirishsociety.org.uk/**

**THE HONOURABLE THE IRISH SOCIETY**

England & Wales - Charity number 1150776

# Accounts

Company Registration No. 1150776 (England and Wales)

# THE HONOURABLE THE IRISH SOCIETY

## ANNUAL REPORT AND FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 30 APRIL 2024

IDS Chartered Accountants LLP
23/25 Queen Street
COLERAINE
Co Londonderry
BT52 1BG

ids. chartered accountants

# THE HONOURABLE THE IRISH SOCIETY

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# THE HONOURABLE THE IRISH SOCIETY

## CHARITY INFORMATION

| | |
|---|---|
| **Charity registration number** | 1150776 |
| **Registered office** | PO Box 270<br>Guildhall<br>LONDON<br>EC2P 2EJ |
| **Auditor** | IDS Chartered Accountants LLP<br>23/25 Queen Street<br>COLERAINE<br>Co Londonderry<br>BT52 1BG |
| **Bankers** | Danske Bank<br>Corporate Banking Centre<br>PO Box 183<br>BELFAST<br>BT1 6JS |
| **Investment managers** | Cazenove Capital Management<br>1 London Wall Place<br>LONDON<br>EC2Y 5AU<br><br>CCLA Fund Managers Ltd<br>1 Angel Lane<br>LONDON<br>EC4R 3AB |
| **Solicitors** | Elliott Duffy Garrett<br>40 Linenhall Street<br>BELFAST<br>BT2 8BA |

ids. chartered accountants

# THE HONOURABLE THE IRISH SOCIETY

## CHARITY INFORMATION

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**List of Trustees 2023-24**

| | |
|---|---|
| **Governor:** | Alderman Sir William Bowater Russell (to 06/03/24)<br>Alderman Vincent Keaveny, CBE (from 07/03/24) |
| **Deputy Governor:** | Charles Edward Lord OBE, JP, Deputy |
| **Aldermen:** | Robert Picton Seymour Howard<br>Gregory Jones, KC |
| **Commoners:** | Anne Corbett<br>Mary Durcan, JP<br>John Foley<br>John Griffiths<br>Shravan Jashvantrai Joshi MBE, Deputy<br>Eamonn James Mullally<br>Hugh Selka<br>Oliver Sells, KC (Deputy Governor Elect from 24/10/23)<br>James St John Davis<br>Philip Woodhouse<br>Dawn Linsey Wright, Deputy |

**Officers:**

| | |
|---|---|
| **Society's Representative (Northern Ireland) & Secretary:** | Edward Montgomery, MBE, DL (to 28/02/24) |
| **Secretary & Chief Executive** | Duane Farrell (from 01/11/23) |
| **Assistant Secretary:** | Candya Farmer |

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# THE HONOURABLE THE IRISH SOCIETY

## TRUSTEES' REPORT

## *FOR THE YEAR ENDED 30 APRIL 2024*

The trustees are pleased to present their annual report and financial statements for the year ended 30 April 2024.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts; the Charities Act 2011; and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

### WHO ARE WE?

Established through Royal Charters granted by King James I in 1613 and King Charles II in 1662, The Honourable The Irish Society has since then maintained interests and managed its ownership in land, buildings and rivers for the benefit of the community of County Londonderry and adjoining areas. A modernising Supplemental Charter was granted to the Irish Society on 20 December 2012. The Society is registered as a charity with the Charity Commission for England and Wales - Registration number 1150776.

### OBJECTIVES

The Honourable The Irish Society is a self-funding, cross-community charitable organisation whose mission is *"to work with key partners for the economic and social benefit of Northern Ireland".*

The Society's objects are defined in the 2012 Supplemental Charter as follows: The promotion of any exclusively charitable purpose for the benefit of the community of the County of Londonderry and neighbouring areas including those within the following descriptions:

- the advancement of education;
- the advancement of citizenship or community development;
- the advancement of the arts, culture, heritage or science;
- the advancement of amateur sport;
- the advancement of environmental protection or improvement; and/or
- the relief of those in need by reason of youth, age, ill-health, disability, financial hardship or other disadvantage.

Led by a team of trustees committed to ensuring that the Society continues to make a positive impact by remaining contemporary, credible and relevant in everything that it does, the Society works to support communities throughout the northwest.

We do this primarily through grant-making and distributing grants to a range of organisations and causes in our area of benefit. The Society's trustees are ably supported in this work by a Local Advisory Committee of Councillors from Causeway Coast and Glens Borough Council (CCGBC); Derry City and Strabane District Council (DCSDC) and Mid Ulster District Council (MUDC). Our grant-making supports community activities that span education, sports, culture, heritage and engagement.

We also achieve this through our custodianship of the River Bann and tributaries and the support of angling communities across the Bann and Foyle systems. The Society's support of angling over the last 20 years has been focused on adopting a more sustainable approach to our historical commercial fisheries works.

Education has always been a key focus of the Society's work throughout the course of our history, including funding and directly managing the delivery of primary education years before this became a statutory requirement. This focus has grown and developed in response to changes in policy and legislation over many years. We maintain and continue to develop our founder's links with five primary schools in the northwest. Beyond those direct links, we continue to develop our support for education more widely and now support a number of schools, youth work initiatives and early years settings across the northwest. We also support scholarships in further and higher education institutions.

Finally, the Society supports wider civic engagement both in the northwest and linking the northwest to the City of London. We do this through annual visits from the Lord Mayor of the City of London and the Corporation's Chair of Policy & Resources. This work promotes a range of innovative developments happening in the northwest and positions them in the context of wider east-west opportunities. This work also links schools into opportunities to visit the City of London.

## ACTIVITIES, ACHIEVEMENTS & PERFORMANCE

### OVERVIEW

The 2023-24 business year was one of significant change for the Society. The year commenced with the news that the Society's long serving Secretary and Representative, Edward Montgomery, MBE, DL, would retire during this business year. The year came to a close as a new Governor was installed. Alderman Sir William Russell completed his term of office in March 2024 and Alderman Vincent Keaveny, CBE took on the role of Governor becoming the first Irish national Governor of the Society in its history.

During the course of the year, a significant recruitment exercise was undertaken for the post of Secretary/CEO. In November 2023, Duane Farrell took on the role and worked alongside Edward Montgomery for a four month period before he retired in February 2024.

The Society continued to adapt working practices in the aftermath of the pandemic. This allowed operations to balance both in-person meetings with online and hybrid approaches to support governance activities. Most significantly, the return of formal visits has allowed the charity's trustees to continue to witness first hand the great work undertaken by the organisation's grantees as well as develop a wider range of relationships to support the Society's work in Northern Ireland.

We were also delighted to welcome the City of London's newly appointed Town Clerk, Ian Thomas, CBE, on the programme of visits and to support his understanding of the historical and modern context to the Corporation's relationship with Northern Ireland and, in particular, the northwest. The Society wishes to place on record its thanks to the Corporation for hosting a dinner event at Drapers' Hall in February to celebrate the City of London's long connection with Northern Ireland. The event was an important opportunity to bring together key stakeholders and hear about the ongoing work of the Society in Northern Ireland.

# THE HONOURABLE THE IRISH SOCIETY

## TRUSTEES' REPORT (CONTINUED)

*FOR THE YEAR ENDED 30 APRIL 2024*

### CHARITABLE GRANTS

Applications for **small grants** to local 'not-for-profit' organisations can be made through a simple process – by e-mail, post or via the Society's website (www.honourableirishsociety.org.uk). All applications are scrutinised by a Local Advisory Committee (LAC) which has existed since 1974 and is comprised of cross-party elected representatives now drawn from three local authorities in the North-West established in April 2015: Causeway Coast & Glens Borough Council; Derry City & Strabane District Council; and Mid Ulster District Council. Our grants programme is open to all communities and supports groups and activities operating throughout the north west on themes including education, community engagement, sports, culture, heritage among others. Over the course of the 2023-24 year, the Society distributed nearly £270,000 in 143 grants across all of our grants work.

The support of a number of partners has been key and the Society has been able to achieve a much greater charitable impact in Northern Ireland in recent years, thanks to the active support of City Livery Companies and the City of London Corporation. The trustees again acknowledge with much gratitude donations from:

- **The Drapers' Company** - an annual donation to the Society's small grants programme of **£30,000** per annum, plus a further **£10,000** for the Co-operation Ireland project described below in the Education section.
- **The Clothworkers' Foundation** – a continuing donation of **£20,000** to the Northern Ireland Fund, enabling the Society to reach out to other parts of NI beyond the North West.
- **The City of London Corporation** - again boosting the Society's general grant-making ability by **£30,000** - offsetting reduced income from capital tied up in a potential property development site in Coleraine.

### SCHOOLS & EDUCATION SUPPORT

**Primary Schools (Ballougry, Culmore, D H Christie Memorial, The Irish Society's and Millburn):** Although all have been in the state controlled sector for many years, the Society's trustees continue to maintain a special link and level of financial support for five primary schools in County Londonderry that were originally founded by the Irish Society for both Protestant and Catholic children between the ages of four and 11.

As in previous years, the Society contributed to annual prize-giving for pupils completing their primary education and a donation was also made to each school at Christmas time towards festivities for the children. This year, for the first time since 2019, two of the schools were able to visit the City of London with a large number of pupils and teachers. Across the five primary schools, over 1,300 children still benefit every year from the Society's support. Against a backdrop of a difficult public expenditure environment resulting in extremely challenging school budgets, the Society is proud to be able to provide some financial support for those schools.

The Society continues to maintain a watching brief on the future of **Ballougry PS**. The school has been identified for closure by the Education Authority. The school community has been very active in campaigning about the continued need for its existence while the Department of Education undertake their own deliberations on closure. We welcomed the Department's decision to confirm the school's ongoing operations for the 2023-24 academic year. However, we are also concerned that a cycle of one-year reprieves is creating an uncertain environment which, in turn, affects the decisions made by parents about placing children within a school whose future is uncertain.

The Society was also delighted to support **Culmore PS** as they consider their own future. A poll of parents indicated strong support for the school to progress a programme of work to become integrated. In the 2023-24 year, the Society provided a grant to allow the Principal to come out of the classroom for one day a week and focus on building the case for change for consideration.

The Society was this year able to fund **Hatchery in the Classroom** once again – an environmental project for primary schools along the Lower Bann corridor. Stephen McIlwaine, the newly-appointed project leader, has been very successful in delivering the project in nine primary schools along the Lower Bann corridor, pairing mainly Catholic schools with mainly Protestant ones for extra community benefit.

**Secondary Schools:** During the year, the Irish Society again partnered with **Enterprise Causeway** to deliver a Careers Convention in April 2024 with **£56,000**, enabling the event to take place to the benefit of over 1,300 children from schools all over the North-West. Without the Society's funding, this event (which returned to a traditional face to face format) would not have happened.

The Society also continued to support the Star Programme linking **Lisneal College** and **St Mary's College** in Londonderry and provided funding support to **St Cecilia's College** in Derry towards the engagement of a schools counsellor to work with children on improving mental health and wellbeing and support the school community on increasing instances of Emotional School Based Avoidance (ESBA). Trustees were delighted to visit the school in October 2023 and hear first hand about the impact of this work.

At **further and higher education** level, a new bursary programme was initiated with the **North West Regional College** in Londonderry and Limavady, with seven students receiving bursaries of **£1,000**. This is a three year commitment to support disadvantaged young people undertaking vital career training in the traditional skills areas. The fund was generously augmented by a donation from an individual who wished to remain anonymous.

We also continued to provide a scholarship grant to two students from the School of Medicine with **Ulster University** on the Magee campus to support them with their studies.

## COMMERCIAL PROPERTY ESTATE

The key points relating to the Society's commercial property portfolio during the year were as follows:

- Income overall rose slightly during the year as most of the Society's tenants returned to full trading after the pandemic, despite the difficult economic and political situation in Northern Ireland and the effects of the wider UK cost of living crisis.
- Outline planning permission was granted for a scheme on a site owned by the Society in Castleroe. The scheme will be comprised of high-quality riverside apartments and some commercial spaces. The Society is delighted that the scheme has been approved and will be working to identify Developers to bring this scheme to fruition in the 2024-25 year.
- Work has commenced on outline planning permission for the Spanboard site behind the Society's offices in Castleroe. During a visit in the spring, trustees met with consultants to confirm the site's 2018 masterplan and commission a programme of community engagement and wider works in order to develop a high quality application.
- The situation with regard to the Coleraine shops continues to improve. At year end, all five units have been leased. Three of these five units are operating with the other two commencing operations in the 2024-25 business year. As well as supporting the Society's charitable operations through income generation, this commercial property stock plays an important role in driving footfall, situated as it is on the edge of the town centre.
- There has been engagement with the trustees of a city-centre church in Londonderry, tenants of the Society, to try to help them to find a new use for the disused building and halls.

## OTHER GRANTS

During the year, a range of small community grants and a smaller number of larger grants were made by the Society.

The largest of these remains our support for **Co-operation Ireland** in delivering a youth support programme. In the year, **£20,000** was donated to a programme for young leaders and former National Citizen Service students in Londonderry. Fifteen young people benefited from in-depth personal improvement training and working with other young people from a wide geographical area on social and community projects. An additional **£5,000** went to support Co-operation Ireland's work in bringing other young people from Northern Ireland, the Republic of Ireland and England together for the project.

Other larger grants were made to a wide variety of organisations in need, such as: **Cavell Nurses Trust** to support nurses and care staff in difficulties, a grant distributed by **Derry City and Strabane District Council** to support Walled City animation projects to generate tourism in Londonderry, a musical bursary to **Jazzlife Alliance** to encourage young jazz musicians and once again helping mental health charity Ashes to Gold in Coleraine to get young and disabled people into fishing and outdoor activities.

# THE HONOURABLE THE IRISH SOCIETY

## TRUSTEES' REPORT (CONTINUED)

*FOR THE YEAR ENDED 30 APRIL 2024*

It is the policy of the trustees to generate sufficient income to pay for the Society's charitable purposes and management each year, while maintaining the overall value of the Society's assets, so that it may continue to achieve its charitable objectives into the future. The trustees aim to spend increased resources each year on charitable activities based on budgeted income and expenditure, while at the same time maintaining sufficient reserves to meet any expected capital requirements.

The Society has a number of mainly commercial properties and property interests in Northern Ireland which it uses to generate income for grant-giving purposes in support of its activities. The property portfolio was professionally revalued in early 2021 with a total restated value of £3.8m (up from £3.2m in 2016). It is the policy of the Society to undertake a review of this portfolio every 5 years.

The Society also has an investment portfolio managed on a discretionary basis by external fund managers – CCLA Fund Managers Ltd and Cazenove Capital Management. The portfolios are monitored by the trustees against industry benchmarks and a specific target.

The Society's cash investments are deposited in the charities pooled fund operated by the City of London Corporation and managed externally on its behalf.

At 30 April 2024 free reserves amounted to £12,156,390 (2023: £11,724,478) - see Balance Sheet at page 14.

### REVIEW OF CHARITABLE ACTIVITIES IN THE YEAR

This year has been an exceptional one for the Society. The decision of the Court to facilitate a detailed and thorough handover has resulted in a higher than anticipated expenditure. Together with a number of other items, this exceptional expenditure has resulted in a deficit at year end of £108,151.

Against this backdrop, the performance of the markets have improved which has improved the valuation of the Society's financial investments at year end.

At year end, the Society's investments had increased in value by £375,334 over the course of this financial year. Overall this indicates that an operating deficit of £108,151 has been offset by the unrealised gains on investments to indicate a net movement in funds of £267,183.

It is the policy of the Society to have in place a reserves policy which supports effective governance and allows the Society to discharge its duties and responsibilities. In line with accepted best practice, it is the policy of the Society to ensure that a minimum of 6 months operating expenditure is held in free reserves by the Society to support this responsibility.

### PLANS FOR FUTURE PERIODS

The Society has been supporting communities in the northwest for over 400 years now and plans to take the opportunity of new leadership in the organisation to reflect on how we can best continue to serve those communities and deliver public benefit.

In order to do this, the Society has commenced a process to build a new strategic framework for our activities over the next 25 years. This process commenced when trustees took some time away from the normal course of governance meetings to reflect on our performance and to understand more about the current challenges being faced by those we support.

As the year came to a close, trustees approved a plan of stakeholder engagement to support the organisation on this journey and to consider how we can maximise our Impact. Through considering a SWOT and PESTLE analysis, the Society recognises that many challenges and opportunities exist to increase our charitable impact in the years ahead.

# THE HONOURABLE THE IRISH SOCIETY

## TRUSTEES' REPORT (CONTINUED)

*FOR THE YEAR ENDED 30 APRIL 2024*

### STRUCTURE, MANAGEMENT & GOVERNANCE

The Society is administered by a Court of 15 trustees, which meets at least four times a year. All are Aldermen or Common Councilors of the City of London Corporation and elected onto the Court of the Irish Society by fellow members of the Court of Aldermen and Common Council. Trustees for the period covered by the Report & Financial Statements are listed under Charity Information.

The Society requires all trustees to commit to a written Code of Conduct governing their behaviour; all new trustees are given an introduction to the work of the Society and provided with copies of recent accounts and minutes of meetings; and are encouraged to participate in at least one formal visit to Northern Ireland as early as possible following appointment, to see the operations of the Society and the difference its grants make to the community. The Charity's Secretary & CEO is based in Coleraine, Northern Ireland, and the Assistant Secretary at Guildhall in London.

The trustees confirm that they are aware of the Guidance promulgated by the Charity Commission under the Charities Act 2011 in relation to Public Benefit. They also recognise their obligation to have regard thereto and – from the feedback received from grant recipients – are confident that their activities are delivering Public Benefit.

The Irish Society's Court has appointed a Finance Committee (chaired by the Deputy Governor) to consider and monitor its financial position and recommend the approval of the annual financial statements to its Court members. Committee members during the accounting year were as follows: Charles Edward Lord, OBE, JP (Chair); Eamonn Mullally (Vice Chair); Alderman Robert Howard; Alderman Vincent Keaveny (ex-officio as Governor from 07/03/2024); Hugh Selka; Oliver Sells, KC (ex-officio as Deputy Governor Elect from 24/10/2023); James St John Davis; Philip Woodhouse (ex-officio as Chair of Bann Division Committee); and Dawn Wright. Common Councilors Nick Bensted-Smith, JP and Simon Duckworth, OBE, DL have been co-opted to the Finance Committee for investment matters.

### KEY MANAGEMENT PERSONNEL REMUNERATION

The board of trustees and the Secretary are the key management personnel in charge of directing, controlling, running and operating the Society on a day to day basis. All trustees give of their time freely and no trustee remuneration was paid in the year. Details of reimbursed expenses and related party transactions are disclosed in the notes to the accounts (see page 24).

Trustees are required to disclose all relevant interests; register them with the Secretary; and, in accordance with the Society's policy, withdraw from discussion / decisions where a potential conflict of interest arises. The Assistant Secretary maintains a Register using information drawn from the City of London Corporation's declarations of interest.

The Secretary's salary is reviewed annually and, like that of other staff, normally increased in accordance with average earnings. In view of the nature of the Society, its economy of operations, and the extensive use of professional advisers, the trustees consider that a multiple of up to three times the median average salary for UK employees is appropriate for the role of Secretary. The remuneration is also benchmarked with grant-making charities of a similar size and activity to ensure that the level set is fair and not out of line with that generally paid for similar roles.

### RISK MANAGEMENT

Trustees are mindful of the Society's Policy on Risk and elements of the Risk Register are reviewed at every Court meeting on a rolling basis to ensure that all relevant risks are given due consideration and the Register is updated in its entirety over a 12-month period. Overall, the trustees consider that the assets of the Society will continue to be well diversified.

A review led by a professional risk and health and safety consultant covering the Society's operations, buildings and policies has continued throughout the 2023-24 year, to ensure that matters are kept up to date.

# THE HONOURABLE THE IRISH SOCIETY

## TRUSTEES' REPORT (CONTINUED)

*FOR THE YEAR ENDED 30 APRIL 2024*

### STATEMENT OF THE COURT'S RESPONSIBILITIES

The Court is responsible for preparing a trustees' annual report and financial statements in accordance with applicable law and Relevant Financial Reporting Framework. The Court is required to prepare financial statements for each year, which give a true and fair view of the state of affairs of the Society and of the incoming resources and application of resources of the Society for that period. In preparing those financial statements, the Court is required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Society will continue in business.

The Court is responsible for maintaining proper accounting records that disclose with reasonable accuracy at any time the financial position of the Society and to enable them to ensure that the financial statements comply with the Charities Act 2011 and the applicable Charities (Accounts and Reports) Regulations. It is also responsible for safeguarding the assets of the Society and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Court is responsible for the maintenance and integrity of the charity and financial information included on the charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements.

### AUDITOR

In accordance with the company's articles, a resolution proposing that IDS Chartered Accountants LLP be reappointed as auditor of the company will be put at a General Meeting.

### DISCLOSURE OF INFORMATION TO AUDITOR

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The Trustees report was approved by Order of the Court

Alderman Vincent Keaveny, CBE
Governor

22 October 2024

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# THE HONOURABLE THE IRISH SOCIETY

## INDEPENDENT AUDITOR'S REPORT

## TO THE TRUSTEES OF THE HONOURABLE THE IRISH SOCIETY

### Opinion

We have audited the financial statements of The Honourable The Irish Society (the 'Society') for the year ended 30 April 2024 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 30 April 2024 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the Society in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Society'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.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

### Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

# THE HONOURABLE THE IRISH SOCIETY

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

## TO THE TRUSTEES OF THE HONOURABLE THE IRISH SOCIETY

**Responsibilities of trustees**

As explained more fully in the Statement of the Court's Responsibilities, the Court is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the Society'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 trustees either intend to cease operations, or have no realistic alternative but to do so.

**Auditor's responsibilities for the audit of the financial statements**

We have been appointed as auditors under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our 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 an auditor's report that includes our 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.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities including fraud and non-compliance with laws and regulations, was as follows:

- we identified the laws and regulations applicable to the Society through discussions with trustees and management, and from our commercial knowledge and experience of the sector;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence.

We assessed the susceptibility of the Society's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations; and
- performing analytical procedures to identify any unusual or unexpected relationships;
- testing journal entries to identify unusual transactions;
- assessing whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias;
- investigating the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statements disclosures to underlying supporting documentation;
- enquiring of management as to actual and potential litigation and claims;
- reviewing correspondence with HMRC, relevant regulators and the Society's legal advisors.

There are inherent limitations in our audit procedures described above. The more removed laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)
## TO THE TRUSTEES OF THE HONOURABLE THE IRISH SOCIETY

This report is made solely to the Society's trustees, as a body, in accordance with the Charities Act 2011. Our audit work has been undertaken so that we might state to the Society's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Society and the Society's trustees as a body for our audit work, for this report, or for the opinions we have formed.

**Mr Ian Donaghey MBE, (Senior Statutory Auditor)**
**for and on behalf of IDS Chartered Accountants LLP**
23/25 Queen Street
COLERAINE
Co Londonderry
BT52 1BG

22 October 2024

IDS Chartered Accountants LLP is eligible for appointment as auditor of the Society by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

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# THE HONOURABLE THE IRISH SOCIETY

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

*FOR THE YEAR ENDED 30 APRIL 2024*

| | Notes | Unrestricted funds 2024 £ | Restricted funds 2024 £ | Total 2024 £ | Total 2023 £ |
|---|---|---|---|---|---|
| **Income and endowments from:** | | | | | |
| Donations and grants | 3 | 30,000 | 62,000 | 92,000 | 80,000 |
| Other trading activities | 4 | 314,980 | - | 314,980 | 340,143 |
| Investment income | 5 | 265,614 | - | 265,614 | 253,075 |
| Other income | 6 | 11,509 | - | 11,509 | 4,144 |
| **Total income** | | 622,103 | 62,000 | 684,103 | 677,362 |
| **Expenditure on:** | | | | | |
| Managing funds | 7 | 3,618 | - | 3,618 | 6,598 |
| Charitable activities | 8 | 728,036 | 60,600 | 788,636 | 629,452 |
| **Total resources expended** | | 731,654 | 60,600 | 792,254 | 636,050 |
| **Trading surplus/(deficit)** | | (109,551) | 1,400 | (108,151) | 41,312 |
| Net unrealised gains/(losses) on investments | 15 | 375,334 | - | 375,334 | (294,209) |
| **Net movement in funds** | | 265,783 | 1,400 | 267,183 | (252,897) |
| Fund balances at 1 May 2023 | | | | | |
| As originally reported | | *11,899,398* | *166,130* | *12,065,529* | *12,318,425* |
| Adjustment to restricted funds (see below) | | *166,130* | *(166,130)* | - | - |
| As restated | | 12,065,528 | - | 12,065,529 | 12,318,425 |
| **Fund balances at 30 April 2024** | | 12,331,311 | 1,400 | 12,332,711 | 12,065,529 |

*Adjustment for restricted funds paid out in prior years but allocated as unrestricted funds.*

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

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# THE HONOURABLE THE IRISH SOCIETY

## BALANCE SHEET

*AS AT 30 APRIL 2024*

| | Notes | £ | 2024 £ | £ | 2023 £ |
|---|---|---|---|---|---|
| **Fixed assets** | | | | | |
| Tangible assets | 16 | | 674,947 | | 691,016 |
| Investment properties | 17 | | 3,802,000 | | 3,802,000 |
| Investments | 18 | | 7,681,099 | | 7,308,941 |
| | | | 12,158,046 | | 11,801,957 |
| **Current assets** | | | | | |
| Debtors | 19 | 185,974 | | 190,954 | |
| Cash at bank and in hand | | 212,654 | | 261,114 | |
| | | 398,628 | | 452,068 | |
| **Creditors: amounts falling due within one year** | 20 | (223,962) | | (188,497) | |
| Net current assets | | | 174,666 | | 263,571 |
| **Total assets less current liabilities** | | | 12,332,711 | | 12,065,529 |
| **Income funds** | | | | | |
| Restricted funds | 21 | | 1,400 | | 166,130 |
| Unrestricted funds | | | | | |
| General unrestricted funds | | 12,156,390 | | 11,724,478 | |
| Revaluation reserve | | 174,921 | | 174,921 | |
| | | | 12,331,311 | | 11,899,399 |
| | | | 12,332,711 | | 12,065,529 |

The financial statements were approved by the Trustees on 22 October 2024

**Trustee**

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# THE HONOURABLE THE IRISH SOCIETY

## STATEMENT OF CASH FLOWS

*FOR THE YEAR ENDED 30 APRIL 2024*

| | Notes | £ | 2024 £ | £ | 2023 £ |
|---|---|---|---|---|---|
| **Cash flows from operating activities** | | | | | |
| Cash absorbed by operations | 27 | | (309,257) | | (234,418) |
| **Investing activities** | | | | | |
| Purchase of tangible fixed assets | | (4,375) | | (3,592) | |
| Purchase of investments | | - | | 2,045,931 | |
| Schroders fees deducted at source | | (6,598) | | (10,006) | |
| Investment income received | | 265,614 | | 253,075 | |
| **Net cash generated from investing activities** | | | 254,641 | | 2,285,408 |
| **Net cash used in financing activities** | | | - | | - |
| **Net (decrease)/increase in cash and cash equivalents** | | | (54,616) | | 2,050,990 |
| Cash and cash equivalents at beginning of year | | | 261,114 | | 252,648 |
| **Cash and cash equivalents at end of year** | | | 212,654 | | 261,114 |

# THE HONOURABLE THE IRISH SOCIETY

## NOTES TO THE FINANCIAL STATEMENTS

## *FOR THE YEAR ENDED 30 APRIL 2024*

### 1 Accounting policies

**Charity information**

The Honourable The Irish Society is a public benefit entity as defined by FRS102.

### 1.1 Accounting convention

The financial statements have been prepared in accordance with the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016). The Society is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the Society. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

### 1.2 Going concern

At the time of approving the accounts, the trustees have a reasonable expectation that the Society has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the accounts.

With respect to the next reporting period, the most significant areas of uncertainty that affect the carrying value of assets held by the Society are the levels of investment return and the performance of investment markets (see the Risk Management and Financial Review sections of the Trustees' report for more information).

### 1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in notes 3 and 8 to the financial statements.

### 1.4 Incoming resources

All income is recognised once:

- the charity has entitlement to the income;
- it is probable that the income will be received; and
- the amount of income receivable can be measured reliably.

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, VAT and other sales related taxes.

# THE HONOURABLE THE IRISH SOCIETY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

*FOR THE YEAR ENDED 30 APRIL 2024*

1 **Accounting policies** **(Continued)**

**1.5 Resources expended**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the Society to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses including support costs and governance costs are allocated or apportioned to the applicable expenditure headings.

Irrecoverable VAT is charged against the expenditure heading for which it was incurred.

The costs of generating funds consists solely of investment management fees.

Costs of charitable activities include grants made, governance costs and an apportionment of support costs as shown in Note 8.

Support costs have been allocated between governance costs and other support costs. Support costs include office and staff costs and have been allocated to the activity cost category or on a basis consistent with the use of resources – e.g. staff costs by the time spent, and other costs by their usage.

Governance costs comprise all costs involving the public accountability of the Society and its compliance with regulation and good practice. Governance costs include the governance arrangements which relate to the general running of the charity as opposed to the direct management functions in generating funds, service delivery, project work and grant making. These costs include such items as external legal advice, Trustees' expenses are associated with visits to Northern Ireland.

The allocation of support and governance costs is analysed in Note 12.

**1.6 Tangible fixed assets**

The Society's properties were valued in the prior financial year by O'Connor Kennedy Turtle, Chartered Surveyors, providing a market value as at 30 April 2021, in line with the Society's intentions of carrying out a formal valuation of its properties every five years in accordance with FRS 102.

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

| | |
|---|---|
| Leasehold land and buildings | Straight line over 50 years |
| Motor vehicles and boats | 25% straight line |
| Furniture and office equipment | 20% straight line |

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

Other properties occupied by the Society are not treated as investment properties. These are depreciated on a straight line basis over fifty years. They are similarly valued at least once in every five years and included in the above report.

1 Accounting policies (Continued)

**1.7 Investment properties**

Investment property, which is property held to earn rentals and/or for capital appreciation, is measured using the fair value model and stated at its fair value at the reporting end date. The surplus or deficit on revaluation is recognised in net income/(expenditure) for the year. No depreciation is provided on investment properties, in accordance with accounting standards. The majority of the investment properties which are generating rental income are valued by reference to yield. Those which are not generating rental income have been valued at the Trustees' best estimates.

**1.8 Fixed asset investments**

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

The Society does not acquire put options, derivatives or other complex financial instruments.

The main form of financial risk faced by the Society is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

**Realised gains and losses**

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

**1.9 Impairment of fixed assets**

At each reporting end date, the Society reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in income/(expenditure) for the year, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately, unless the relevant asset is carried in at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

**1.10 Cash and cash equivalents**

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1 Accounting policies (Continued)

**1.11 Financial instruments**

The Society has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Society's balance sheet when the Society becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

***Basic financial assets***

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

***Basic financial liabilities***

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

***Derecognition of financial liabilities***

Financial liabilities are derecognised when the Society's contractual obligations expire or are discharged or cancelled.

**1.12 Taxation**

The Society is not liable to tax on capital gains, rent, investment income and certain other income.

**1.13 Employee benefits**

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the Society is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

## 2 Critical accounting estimates and judgements

In the application of the Society's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

**Critical judgements**

**Valuation of investment properties**

Investment properties were revalued as at 30 April 2021. It is the Society's policy to obtain external valuations every 5 years.

## 3 Donations and grants

| | Unrestricted funds | Restricted funds | Total | Total |
|---|---|---|---|---|
| | 2024 | 2024 | 2024 | 2023 |
| | £ | £ | £ | £ |
| Donations and grants | 30,000 | 62,000 | 92,000 | 80,000 |
| **For the year ended 30 April 2023** | 30,000 | 50,000 | | 80,000 |
| **Donations and gifts** | | | | |
| Grant from Drapers | - | 30,000 | 30,000 | 20,000 |
| Clothworkers grant | - | 20,000 | 20,000 | 20,000 |
| Annual contributions to small grants 2023-24 (8th year of 10) | 30,000 | - | 30,000 | 30,000 |
| Drapers to Co-Operation Ireland | - | 10,000 | 10,000 | 10,000 |
| Others - JS for NWRC | - | 2,000 | 2,000 | - |
| | 30,000 | 62,000 | 92,000 | 80,000 |

## 4 Income from other trading activities

| | Unrestricted funds 2024 £ | Unrestricted funds 2023 £ |
|---|---|---|
| Commercial property rent | 181,280 | 173,162 |
| Fishing, coarse, game and sporting | 133,700 | 166,981 |
| Other trading activities | 314,980 | 340,143 |

## 5 Investment income

| | Unrestricted funds 2024 £ | Unrestricted funds 2023 £ |
|---|---|---|
| Dividends - equities | 265,614 | 253,075 |

## 6 Other income

| | Unrestricted funds 2024 £ | Unrestricted funds 2023 £ |
|---|---|---|
| Other income | 11,509 | 4,144 |

## 7 Managing funds

| | Unrestricted funds 2024 £ | Unrestricted funds 2023 £ |
|---|---|---|
| Investment management fees | 3,618 | 6,598 |
| | 3,618 | 6,598 |

8 **Charitable activities**

| | Education | Community Development | Environmental Protection & Improvement | Total 2024 | Total 2023 |
|---|---|---|---|---|---|
| | £ | £ | £ | £ | £ |
| Grant funding of activities (see note 10) | 114,512 | 127,499 | 24,220 | 266,228 | 244,199 |
| Share of support costs (see note 12) | 86,653 | 86,653 | 259,959 | 433,265 | 340,770 |
| Share of governance costs (see note 12) | 17,828 | 17,828 | 53,484 | 89,140 | 44,481 |
| | 218,991 | 231,980 | 337,663 | 788,636 | 629,452 |
| **Analysis by fund** | | | | | |
| Unrestricted funds | 188,212 | 202,161 | 337,663 | 728,036 | |
| Restricted funds | 30,781 | 29,819 | - | 60,600 | |
| | 218,993 | 231,980 | 337,663 | 788,636 | |
| **For the year ended 30 April 2023** | | | | | |
| Unrestricted funds | 198,918 | 132,924 | 257,610 | | 589,452 |
| Restricted funds | 21,057 | 18,943 | - | | 40,000 |
| | 219,975 | 151,867 | 257,610 | | 629,452 |

9 **Net movement in funds**

| | 2024 | 2023 |
|---|---|---|
| | £ | £ |
| The net movement in funds is stated after charging/(crediting): | | |
| Fees payable for the audit of the charity's financial statements | 2,400 | 2,400 |
| Depreciation of owned tangible fixed assets | 20,445 | 20,093 |

# THE HONOURABLE THE IRISH SOCIETY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

*FOR THE YEAR ENDED 30 APRIL 2024*

### 10 Grants payable

| | Education | Community Development | Environmental Protection & Improvement | Total 2024 | Total 2023 |
|---|---|---|---|---|---|
| | 2024 | 2024 | 2024 | | |
| | £ | £ | £ | £ | £ |
| Grants to institutions: | | | | | |
| Advisory Committee | 10,500 | 56,230 | 1,720 | 68,450 | 66,464 |
| Clothworkers | 3,500 | 25,800 | - | 29,300 | 20,000 |
| Drapers | 15,281 | 14,019 | - | 29,300 | 19,750 |
| London Budget | 85,231 | 29,700 | 22,500 | 137,431 | 137,935 |
| Other | - | - | - | - | (2,703) |
| | 114,512 | 125,749 | 24,220 | 264,478 | 241,446 |
| Grants to individuals | - | 1,750 | - | 1,750 | 2,750 |
| | 114,512 | 127,499 | 24,220 | 266,228 | 244,196 |

The Society makes grants for assistance in line with its aims of promoting the welfare of County Londonderry and adjoining areas in Northern Ireland. Grants are made on a cross-community basis to local organisations and individuals for deserving causes and to local primary, secondary and tertiary educational establishments. Details of some of the London grants that the Society paid out during the year can be seen in the Trustees' Report (pages 4-5). Full details of all Advisory Committee, Drapers' and Clothworkers' grants can be found on the Society's website. Grants payable are payments made in furtherance of the charitable objectives of the Society.

### 11 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the Society during the year. Expense claims totalling **£2,387** (2023: £4,319) were reimbursed by the Society for travel and subsistence on behalf of **five** trustees.

12 **Support costs**

| | Support costs | Governance costs | 2024 | 2023 |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| Staff costs | 229,298 | 47,860 | 277,158 | 232,189 |
| Depreciation | 20,445 | - | 20,445 | 20,093 |
| Rent, rates, insurance & utilities | 29,984 | - | 29,984 | 26,522 |
| Repairs & maintenance | 48,399 | - | 48,399 | 17,970 |
| Advertising, PR, & printing | 3,854 | - | 3,854 | 1,514 |
| Telephone | 2,524 | - | 2,524 | 2,972 |
| Computer & website costs | 5,745 | - | 5,745 | 1,011 |
| Motor & travel | 43,883 | - | 43,883 | 28,508 |
| Legal & professional (NI property) | 31,634 | - | 31,634 | 30,227 |
| Audit & accountancy | 2,178 | - | 2,178 | 2,029 |
| Bad debt provision | 9,325 | - | 9,325 | 12,279 |
| General (office sundries, stationery, subscriptions) | 5,997 | - | 5,997 | 4,919 |
| Audit fees | - | 2,400 | 2,400 | 2,400 |
| Accountancy | - | 1,600 | 1,600 | 1,600 |
| Legal and professional fees (non property) | - | 37,279 | 37,279 | 1,023 |
| | 433,262 | 89,139 | 522,401 | 385,254 |
| Analysed between | | | | |
| Charitable activities | 433,265 | 89,140 | 522,405 | 385,251 |

Governance costs includes payments to the auditors of **£2,400 (2023 - £2,400)** for audit fees, and additional accounts preparation work of **£1,600 (2023 - £1,600).**

This has been an exceptional year in terms of expenditure for the Society. Further details on this are included in the Trustees Report.

## 13 Employees

**Number of employees**

The average monthly number of full time equivalent employees during the year was:

| | 2024 Number | 2023 Number |
|---|---|---|
| Direct charitable activities | 4 | 4 |
| Administration | 2 | 2 |
| | 6 | 6 |

| **Employment costs** | 2024 £ | 2023 £ |
|---|---|---|
| Wages and salaries | 214,847 | 180,670 |
| Social security costs | 23,103 | 19,667 |
| Other pension costs | 39,208 | 31,852 |
| | 277,158 | 232,189 |

No member of the Court received any remuneration.

The number of employees who received total employee benefits (excluding employer pension costs) of more than £60,000 is as follows:

| | 2024 Number | 2023 Number |
|---|---|---|
| £60,001-£70,000 | - | 1 |
| £70,001-£80,000 | 1 | - |

## 14 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

## 15 Net gains/(losses) on investments

| | Unrestricted funds 2024 £ | Unrestricted funds 2023 £ |
|---|---|---|
| Net unrealised gains/(losses) on investments | 375,334 | (294,209) |

## 16 Tangible fixed assets

| | Leasehold land and buildings | Motor vehicles and boats | Furniture and office equipment | Total |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| **Cost or valuation** | | | | |
| At 1 May 2023 | 780,000 | 57,875 | 21,880 | 859,755 |
| Additions | - | - | 4,375 | 4,375 |
| At 30 April 2024 | 780,000 | 57,875 | 26,255 | 864,130 |
| **Depreciation and impairment** | | | | |
| At 1 May 2023 | 100,969 | 47,112 | 20,657 | 168,738 |
| Depreciation charged in the year | 15,600 | 3,287 | 1,558 | 20,445 |
| At 30 April 2024 | 116,569 | 50,399 | 22,215 | 189,183 |
| **Carrying amount** | | | | |
| At 30 April 2024 | 663,431 | 7,476 | 4,040 | 674,947 |
| At 30 April 2023 | 679,031 | 10,762 | 1,223 | 691,016 |

Land and buildings with a carrying amount of £780,000 were revalued at 30 April 2021 by O'Connor Kennedy Turtle, independent valuers not connected with the Society on the basis of market value. The valuation conforms to International Valuation Standards and was based on recent market transactions on arm's length terms for similar properties.

The Society owns paintings, silver and other fixed assets in Northern Ireland, which are included at a £Nil book value but were valued in June 2011 by Danny Kinahan Fine Art & Antiques at £272,630. The Society also owns some silver items, five badges of office, a 17th Century (copy) Royal Charter and a modern Charter, all normally held in London and together valued at £100,000. No further valuations have been obtained since June 2011.

## 17 Investment property

| | 2024 |
|---|---|
| | £ |
| **Fair value** | |
| At 1 May 2023 and 30 April 2024 | 3,802,000 |

Investment property comprises a number of different commercial properties. The fair value of the investment properties has been arrived at on the basis of a valuation carried out at 30 April 2021 by O'Connor Kennedy Turtle Chartered Surveyors, who are not connected with the Society. The valuation was made on an open market value basis by reference to market evidence of transaction prices for similar properties. It is the accounting policy of the company to obtain independent valuations for investment properties every five years.

## 18 Fixed asset investments

| | Listed investments | Other investments | Cash held by investment manager | Total |
|---|---|---|---|---|
| | £ | £ | | £ |
| **Cost or valuation** | | | | |
| At 1 May 2023 | 7,308,658 | 2 | 281 | 7,308,941 |
| Movement in cash held | 372,439 | - | (281) | 372,158 |
| At 30 April 2024 | 7,681,097 | 2 | - | 7,681,099 |
| **Carrying amount** | | | | |
| At 30 April 2024 | 7,681,097 | 2 | - | 7,681,099 |
| At 30 April 2023 | 7,308,658 | 2 | 281 | 7,308,941 |

## 19 Debtors

| | 2024 | 2023 |
|---|---|---|
| **Amounts falling due within one year:** | £ | £ |
| Trade debtors | 114,224 | 131,329 |
| Other debtors | 64,693 | 51,654 |
| Prepayments and accrued income | 7,057 | 7,971 |
| | 185,974 | 190,954 |

## 20 Creditors: amounts falling due within one year

| | 2024 | 2023 |
|---|---|---|
| | £ | £ |
| Other taxation and social security | 27,436 | 31,707 |
| Trade creditors | 12,644 | 1,829 |
| Other creditors | 106,930 | 128,650 |
| Accruals and deferred income | 76,952 | 26,311 |
| | 223,962 | 188,497 |

## 21 Restricted funds

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

| | At 1 May 2023 | Incoming resources | Resources expended | Balances restated | At 30 April 2024 |
|---|---|---|---|---|---|
| | £ | £ | £ | £ | £ |
| | 166,130 | 62,000 | (60,600) | (166,130) | 1,400 |

| Previous year: | At 1 May 2022 | Incoming resources | Resources expended | Transfers | At 30 April 2023 |
|---|---|---|---|---|---|
| | £ | £ | £ | £ | £ |
| | 156,130 | 50,000 | (40,000) | - | 166,130 |

## 22 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

| | At 1 May 2023 | Incoming resources | Resources expended | Balances restated | Gains and losses | At 30 April 2024 |
|---|---|---|---|---|---|---|
| | £ | £ | £ | £ | £ | £ |
| General funds | 11,899,398 | 622,103 | (731,654) | 166,130 | 375,334 | 12,331,311 |

| Previous year: | At 1 May 2022 | Incoming resources | Resources expended | Transfers | Gains and losses | At 30 April 2023 |
|---|---|---|---|---|---|---|
| | £ | £ | £ | £ | £ | £ |
| General funds | 12,162,296 | 627,362 | (596,050) | - | (294,209) | 11,899,399 |

## 23 Retirement benefit schemes

**Defined contribution schemes**

The Society operates a Pension Scheme providing benefits based on final pensionable pay for all of its employees.

The assets of the Scheme are held separately from those of the Society in the City of London Corporation Pension Fund.

The Scheme is a funded, defined benefit scheme. However it is also classified as a multi-employer scheme under FRS 102. Although the employer's contributions are affected by a surplus or deficit in the scheme, the employer is unable to identify its share of the underlying assets and liabilities in the scheme on a consistent and reasonable basis.

As a result, the Scheme is accounted for as if it were a defined contribution scheme, as required by FRS 102. The employer's contributions made to the Scheme in the period were £39,208 (2022: £31,852), with an employer's contribution rate of 17.5% of pensionable pay. Employee's contributions were between 5.5% and 12.5% of pensionable pay.

| Valuation date | 31 March 2022 | 31 March 2019 |
|---|---|---|
| Value of assets (smoothed) | £1,370m | £1,063m |
| Value of liabilities | £1,404m | £1,176m |
| Funding level of accrued benefits | 98% | 90% |
| Investment return on future contributions per annum | 4.6% | 5.7% |
| Investment return on accumulated assets per annum | 4.6% | 5.7% |
| Pension increases per annum | 2.9% | 2.6% |
| Rate of price inflation | 2.9% | 2.6% |

## 24 Analysis of net assets between funds

| | Unrestricted 2024 £ | Restricted 2024 £ | Total 2024 £ | Unrestricted 2023 £ | Restricted 2023 £ | Total 2023 £ |
|---|---|---|---|---|---|---|
| Fund balances at 30 April 2024 are represented by: | | | | | | |
| Tangible assets | 674,947 | - | 674,947 | 691,016 | - | 691,016 |
| Investment properties | 3,802,000 | - | 3,802,000 | 3,802,000 | - | 3,802,000 |
| Investments | 7,681,099 | - | 7,681,099 | 7,308,941 | - | 7,308,941 |
| Current assets/(liabilities) | 174,665 | - | 174,665 | 263,571 | - | 263,571 |
| | 12,332,713 | - | 12,332,713 | 12,065,527 | - | 12,065,527 |

25 Operating lease commitments

**Lessee**

At the reporting end date the Society had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

| | 2024 | 2023 |
|---|---|---|
| | £ | £ |
| Within one year | 550 | 550 |

**Lessor**

This refers to the monthly Licence to Occupy arrangement with the City of London Corporation in respect of the Society's office at Guildhall, London.

26 **Related party transactions**

**Remuneration of key management personnel**

The remuneration of key management personnel was as follows:

| | 2024 | 2023 |
|---|---|---|
| | £ | £ |
| Aggregate compensation | **124,533** | 85,414 |

The Society considers its key management personnel to comprise the Trustees and the Society's Secretary & Representative (Northern Ireland).

No guarantees have been given or received.

27 **Cash generated from operations**

| | 2024 | 2023 |
|---|---|---|
| | £ | £ |
| Surplus/(deficit) for the year | 267,183 | (252,897) |
| Adjustments for: | | |
| Investment income recognised in statement of financial activities | (265,614) | (253,075) |
| Fair value gains and losses on investments | (375,334) | 294,209 |
| Depreciation and impairment of tangible fixed assets | 20,445 | 20,093 |
| Movements in working capital: | | |
| Decrease/(increase) in debtors | 4,980 | (6,033) |
| Increase/(decrease) in creditors | 35,465 | (43,313) |
| **Cash absorbed by operations** | (312,875) | (241,016) |

Our Mission Statement:

*'To work in partnership for the economic and social benefit of Northern Ireland'*

For more information about how to join us in helping communities in Northern Ireland, contact us at:

office@irishsociety.co.uk

or visit our website at:

www.honourableirishsociety.org.uk/

**THE HONOURABLE THE IRISH SOCIETY**

England & Wales - Charity number 1150776

# Accounts

Company Registration No. 1150776 (England and Wales)

# THE HONOURABLE THE IRISH SOCIETY

# ANNUAL REPORT AND FINANCIAL STATEMENTS

# FOR THE YEAR ENDED 30 APRIL 2023

IDS Chartered Accountants LLP
23/25 Queen Street
COLERAINE
Co Londonderry
BT52 1BG

# THE HONOURABLE THE IRISH SOCIETY

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# THE HONOURABLE THE IRISH SOCIETY

## CHARITY INFORMATION

| | |
|---|---|
| **Charity registration number** | 1150776 |
| **Registered office** | PO Box 270<br>Guildhall<br>LONDON<br>EC2P 2EJ |
| **Auditor** | IDS Chartered Accountants LLP<br>23/25 Queen Street<br>COLERAINE<br>Co Londonderry<br>BT52 1BG |
| **Bankers** | Danske Bank<br>Corporate Banking Centre<br>PO Box 183<br>BELFAST<br>BT1 6JS |
| **Investment managers** | Cazenove Capital Management<br>1 London Wall Place<br>LONDON<br>EC2Y 5AU<br><br>CCLA Fund Managers Ltd<br>1 Angel Lane<br>LONDON<br>EC4R 3AB |
| **Solicitors** | Elliott Duffy Garrett<br>40 Linenhall Street<br>BELFAST<br>BT2 8BA |

# THE HONOURABLE THE IRISH SOCIETY

## CHARITY INFORMATION

**List of Trustees 2022-23**

| | |
|---|---|
| **Governor:** | Alderman Sir William Bowater Russell |
| **Deputy Governor:** | Wendy Hyde (to 09/03/23) |
| **Deputy Governor:** | Edward Lord OBE, JP, Deputy (from 09/03/23) |
| **Aldermen:** | Robert Howard<br>Gregory Jones |
| **Commoners:** | John Absalom, Deputy (to 09/03/2023)<br>James Bromiley-Davis, (from 09/03/2023)<br>Anne Corbett (from 19/05/2022)<br>Peter Dunphy, Deputy (to 09/03/2023)<br>Mary Durcan<br>John Foley (from 09/03/2023)<br>John Griffiths (from 09/03/2023)<br>Christopher Hayward, Deputy (to 09/03/2023)<br>Shravan Joshi, MBE, Deputy<br>Eamonn Mullally (from 19/05/2022)<br>Hugh Selka (from 09/03/2023)<br>Oliver Sells, KC<br>Philip Woodhouse, Deputy<br>Dawn Wright |
| **Officers:** | |
| **Society's Representative (Northern Ireland) & Secretary:** | Edward Montgomery, MBE DL |
| **Assistant Secretary:** | Candya Farmer |

# THE HONOURABLE THE IRISH SOCIETY

## TRUSTEES' REPORT

## *FOR THE YEAR ENDED 30 APRIL 2023*

The Trustees are pleased to present their annual report and financial statements for the year ended 30 April 2023.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Society's governing document, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019).

### WHO ARE WE?

Established through Royal Charters granted by King James I in 1613 and King Charles II in 1662, The Honourable The Irish Society has since then maintained interests and managed its ownership in land, buildings and rivers for the benefit of the community of County Londonderry and adjoining areas. A modernising Supplemental Charter was granted to the Irish Society on 20 December 2012. The Society is registered as a charity with the Charity Commission for England and Wales - Registration number 1150776.

### OBJECTIVE

From its early association with the Plantation of Ulster, the Irish Society has evolved into a self-funding, cross-community charitable organisation; a succession of trustees have been committed to ensuring that the Society continues to make a positive impact by remaining contemporary, credible and relevant in everything that it does; and they have agreed a Mission Statement *"to work with key partners for the economic and social benefit of Northern Ireland"*.

The Society's objects are defined in the 2012 Supplemental Charter as follows: The promotion of any exclusively charitable purpose for the benefit of the community of the County of Londonderry and neighbouring areas including those within the following descriptions:

- the advancement of education;
- the advancement of citizenship or community development;
- the advancement of the arts, culture, heritage or science;
- the advancement of amateur sport;
- the advancement of environmental protection or improvement; and/or
- the relief of those in need by reason of youth, age, ill-health, disability, financial hardship or other disadvantage.

### ACTIVITIES, ACHIEVEMENTS & PERFORMANCE

#### OVERVIEW

2022-23 saw a return to something approaching normality following the Covid-19 pandemic.

- The staff in London and Northern Ireland reverted to office-working for the most part, although thanks to technology it remained feasible and effective for some home-working to continue by all except the fishery staff.
- Trustees in London held sub-committee meetings on a hybrid basis, enabling external members or advisers to join remotely whilst conferring the advantage of trustees being able to meet in Guildhall.
- Court meetings were mainly held face to face once again, with a remote facility for anyone unable to be present.
- Visitations to Northern Ireland by trustees returned to normal and the usual pre-pandemic activities such as civic visits, school prize days and charity events took place once more.
- Charitable activity once again increased during the year, with almost £250k allocated in direct grants to community groups and charities by the Local Advisory Committee and the trustees. The Society continued to work with charitable partners such as Co-operation Ireland, Cavell Nurses Trust and several others, to help deliver funding support to young, old and disadvantaged groups.
- The Clothworkers and Drapers Livery Companies continued their support for the Society for a 10th successive year by providing funds for small grants in Northern Ireland.
- The Society's Commercial Property portfolio was reviewed by a former City of London surveyor during the year, and several recommendations made were accepted by the trustees. Income rose slightly and the key properties continued to perform as expected, although some of the smaller tenancies were still struggling following the pandemic period.
- Despite an increase in income received, the fisheries of the Lower Bann had a challenging year, especially at the key Carnroe salmon fishery.

#### CHARITABLE GRANTS

Applications for **small grants** to local 'not-for-profit' organisations can be made through a simple process – by e-mail, post or via the Society's website (www.honourableirishsociety.org.uk). All applications are scrutinised by a Local Advisory Committee (LAC) which has existed since 1974 and is comprised of cross-party elected representatives drawn from three local authorities in the North-West established in April 2015: Causeway Coast & Glens Borough Council; Derry City & Strabane District Council; and Mid Ulster District Council. Grants are equally available to both main sections of Northern Ireland's divided community, Roman Catholic and Protestant, on a wholly impartial basis – which reflects the broad makeup of the community in which the Society works. Indeed, many of the grants made go to groups in which Catholics and Protestants work together in harmony promoting peace and reconciliation.

The Society has been able to achieve a much greater charitable impact in Northern Ireland in recent years, thanks to the active support of City Livery Companies and the City of London Corporation. The trustees again acknowledge with much gratitude donations from:

- **The Drapers' Company** - an annual donation to the Society's small grants programme of **£20,000** per annum, plus a further **£10,000** for the Co-operation Ireland project described below in the Education section.
- **The Clothworkers' Foundation** – a continuing donation of **£20,000** to the Northern Ireland Fund, enabling the Society to reach out to other parts of NI beyond the North West.
- **The City of London Corporation** - again boosting the Society's general grant-making ability by **£30,000** - offsetting reduced income from capital tied up in a potential property development site in Coleraine. In 2022-23 this money was used to assist a boys' school in Londonderry with a hardship fund, a nurses hardship fund in the same city and 3 donations to charities working with young people and musicians.

### SCHOOLS & EDUCATION SUPPORT

**Primary Schools (Ballougry, Culmore, D H Christie Memorial, The Irish Society's and Millburn):** Although all have been in the state controlled sector for many years, the Society's trustees continue to maintain a special link and level of financial support for five primary schools in County Londonderry that were originally founded by the Irish Society for both Protestant and Catholic children between the ages of 4 and 11. As in previous years, the Society contributed to annual prize-giving for pupils completing their primary education and a donation was also made to each school at Christmas time towards festivities for the children. This year, for the first time since 2019, two of the schools were able to visit the City of London with a large number of pupils and teachers. Across the five primary schools, over 1,300 children still benefit every year from the Society's support. On a more sombre note, one of the smaller schools located near Londonderry is under threat of closure due to a drop in pupil numbers; the Society has joined the school governors, parents and local community in arguing for it to be kept open and there is currently a slight cause for optimism.

The Society was this year able to fund Hatchery in the Classroom once again – an environmental project for primary schools along the Lower Bann corridor - with **£6,000.** Stephen McIlwaine, the newly-appointed project leader has been very successful in delivering the project in 9 primary schools along the Lower Bann corridor, pairing mainly Catholic schools with mainly Protestant ones for extra community benefit. The Governor and colleagues were able to meet Stephen at one of the schools during their visit in February 2023.

**Secondary Schools:** During the year, the Irish Society again partnered with Enterprise Causeway to deliver a Careers Convention in March 2023 with **£5,000**, enabling the event to take place to the benefit of well over 1,000 children from schools all over the North-West. Without the Society's funding, this event (which returned to a traditional face to face format) would not have happened.

The Society also continued to support the Star Programme linking **Lisneal College** and **St Mary's College** in Londonderry. In October 2022 the Deputy Governor and other trustees made a visit to Lisneal, where they heard first hand of the special Saturday School activities that our funds are used for. Riding and bowling seem to be the most popular and the positive collaboration between the two schools was as evident as always.

The Society's annual support for **Sandelford School** in Coleraine, which caters for children from ages 3 to 19 with a wide range of special educational needs, was repeated this year and **£5,000** was donated in February to the new principal, Mrs McShane, towards a new school minibus.

At higher education level, a new bursary programme was initiated with the **North West Regional College** in Londonderry and Limavady, with 7 students receiving bursaries of **£1000**. This is a 3 year commitment to support disadvantaged young people undertaking vital career training in the traditional skills areas. The fund was generously augmented by a donation from an individual who wished to remain anonymous.

### OTHER GRANTS

During the year, around 100 small community grants and around a dozen larger grants were made by the Society.

The largest of these remains our support for Co-operation Ireland in delivering a youth support programme. In the year, **£20,000** was donated to a programme for young leaders and former National Citizen Service students in Londonderry. 15 young people benefited from in-depth personal improvement training and working with other young people from a wide geographical area on social and community projects. An additional **£5000** went to support Co-operation Ireland's work in bringing other young people from Northern Ireland, the Republic of Ireland and England together for the project.

Other larger grants were made to a wide variety of organisations in need, such as: Cavell Nurses Trust to support nurses and care staff in difficulties, Age Concern Causeway in Coleraine to support older people with dementia, a Walled City animation project to generate tourism in Londonderry, a musical bursary to encourage young jazz musicians and once again helping mental health charity Ashes to Gold in Coleraine to get young and disabled people into fishing and outdoor activities.

### RIVER & ENVIRONMENTAL MANAGEMENT

The Society continued to manage the 38 mile long Lower Bann river and its fisheries this year. The voluntary sub-committee (Bann Division) maintained its overwatch of the fishing and environmental protection operations, as it has done for many years.

One full-time and two part-time members of staff were employed during the year to perform river bailiffing, management and protection duties for the Society - which involves regular patrolling of the river and its tributaries to enforce the government's Catch & Release policy and prevent / deter general poaching, pollution and predation of the fisheries. This expenditure of over **£100,000** per annum is necessary given the extent and importance of the Lower Bann fisheries to the whole NI economy and environment and as a resource for recreation, tourism and education.

The income from fishing in 2022 was significantly up from the previous year, largely on the basis of an excellent run of salmon in 2021 which gave anglers encouragement. Regrettably, this good run of fish was not repeated in 2022 and the key Carnroe beat only returned 280 salmon compared with 600 the previous year. Game fishermen endured very dry weather conditions during June-September, with accompanying low river flows; this resulted in high water temperatures which almost curtailed salmon angling at the end of July due to the detrimental effect on the health of migratory fish which need colder water. A disappointing season total of c.4600 salmon was counted heading upstream – barely a quarter of the previous year's number.

The anglers' difficulties were compounded by the much-delayed start of at least 3 years of engineering works at Carnroe Weir, led by the NI government's statutory agencies. Diverted water flows caused significant river bank and riverbed erosion during the autumn of 2022 and this has resulted in great difficulties for fishermen in the 2023 season. The Society's Bann Division Committee is working with Waterways Ireland to make temporary repairs where possible and the trustees intend to pursue an insurance claim for losses sustained.

Tourist angling continues its slow growth, overseen by Catherine and Kieran Deery of Cressabelle.

2 large coarse fishing competitions were held on the Portglenone stretch of the Bann in October/November and were again well-attended by over 40 NI/GB/RoI anglers. The trustees congratulated Derek Buckley the organiser for his hard work in running the competitions and finding sponsorship and other support.

A successful game angling conference was held in Coleraine in November, with live streaming and recording. Over 90 anglers attended, to hear speakers such as Professor Ken Whelan of the Atlantic Salmon Trust and Dr Richard Kennedy of AFBI and Bushmills Salmon Station. For the first time, young people who have learned to fish through the Ashes to Gold initiative, were invited to attend and present to the audience.

## COMMERCIAL PROPERTY ESTATE

The key points relating to the Society's commercial property portfolio during the year were as follows:

- Income overall rose slightly during the year as most of the Society's tenants returned to full trading after the pandemic, despite the difficult economic and political situation in Northern Ireland and the effects of the wider UK cost of living crisis.
- Slow but steady progress has been made with the planning application for apartments and a business unit at the former ABC Laboratory site in Castleroe; it is now expected that this will be achieved during the coming year. Local agents continue to advise that the property market is buoyant in Coleraine and the North Coast generally.
- The larger former Spanboard factory site nearby remains undeveloped, although a local business continues to use part of the area for open air storage of engineering equipment, bringing in a useful additional income.
- The situation with regard to the Coleraine shops continues to be difficult. 2 of the 4 are trading successfully, one is closed with the tenant blaming staff shortages while the last is vacant and being divided into 2 upgraded units for re-letting.
- The tenant at Rocks Lodge Trout Farm in Co Tyrone has sold all its interests to another commercial fish farming company, one of the largest in the world, and it has declared its intention to invest in the site and sort out the various operating consent issues that remain from the previous tenancy.
- There has been engagement with the trustees of a city-centre church in Londonderry, tenants of the Society, to try to help them to find a new use for the disused building and halls.

## RISK MANAGEMENT

Trustees are mindful of the Society's Policy on Risk and elements of the Risk Register are reviewed at every Court meeting on a rolling basis to ensure that all relevant risks are given due consideration and the Register is updated in its entirety over a 12-month period. Overall, the trustees consider that the assets of the Society will continue to be well diversified.

A review led by a professional risk and health and safety consultant covering the Society's operations, buildings and policies is being undertaken during 2023, to ensure that matters are kept up to date.

## FINANCIAL REVIEW

It is the policy of the trustees to generate sufficient income to pay for the Society's charitable purposes and management each year, while maintaining the overall value of the Society's assets, so that it may continue to achieve its charitable objectives into the future. The trustees aim to spend increased resources each year on charitable activities based on budgeted income and expenditure, while at the same time maintaining sufficient reserves to meet any expected capital requirements.

The Society has a number of mainly commercial properties and property interests in Northern Ireland which it uses to generate income for grant-giving purposes in support of its activities. The property portfolio was professionally revalued in early 2021 with a total restated value of £3.8m (up from £3.2m in 2016).

The Society also has an investment portfolio managed on a discretionary basis by external fund managers – CCLA Fund Managers Ltd and Cazenove Capital Management.

The rearrangement of the Cazenove portfolio into 3 separate fund segments at the start of the year has proved to be satisfactory with results in line with expectations, although the higher-risk private equity fund with 10% of the holding has suffered more from the adverse equity markets.

In general, there are no restrictions on the investments that the Society can make. The portfolios are monitored by the trustees against industry benchmarks and a specific target.

The Society's cash investments are deposited in the charities pooled fund overseen by the Chamberlain of London's Department Of the city of London Corporation and managed externally on its behalf.

At 30 April 2023 free reserves amounted to £11,724,478 (2022: £11,987,374 - see Balance Sheet at page 16).

## REVIEW OF CHARITABLE ACTIVITIES IN THE YEAR

Despite increased income from various sources and a resulting trading surplus of £41,312, unrealised losses on investments caused Net Movements in funds to 30 April 2023 to be negative: **-£252,897** (2022 -£118,901) The reduction in investment values was mainly due to less favourable global investment conditions following the Russian invasion of Ukraine and the associated economic aftershocks.

Charitable expenditure amounted to £629,452 (2022: £556,355). Taking into account other unrealised losses of £294,209 (2022: £192,206) as set out on page15, this left an overall deficit for the year of £252,897 (2022: £-118,901).

### PLANS FOR FUTURE PERIODS

During the period, the Society has continued to keep tight control of its administration and other costs. As a result, the trustees were again able to allocate increased funds to the charitable budget during the year, and it is hoped this trend will continue into the future, based on the following strategies:

- The Society has a long term aim of restructuring / developing its property portfolio where possible to produce an increased income, especially by bringing the Castleroe sites to fruition. The trustees are not generally in favour of selling freeholds where this can be avoided.
- Resources will continue to be spent on managing the fishery assets and protecting the environment of the Lower Bann River and its tributaries in order to enable greater public use and enjoyment, while generating a surplus of income over expenditure. This may be achieved by focussing on renewable energy projects (eg hydro, heat pumps and hydrogen generation) and also by developing external angling tourism, which has to date been very modest in NI.
- The trustees believe that the Irish Society could achieve more if greater funds were available generally, and they continue to work with the London Livery Companies – particularly those with historic connections in County Londonderry. The longer term intention is to expand the number of Livery Companies engaged – not just with the purpose of increasing funding ability but by harnessing their networks and expertise.
- The Society will also seek to develop connections with philanthrophic individuals and organisations, including the Northern Irish diaspora that may consider the Society as a charitable vehicle for making donations into the Province for specific projects or programmes.

Trustees will also continue to work with partner organisations such as Co-operation Ireland, Cavell Nurses Trust and Community Foundation NI where their objectives align with the Irish Society's strategy. They will also explore what other organisations might be engaged to further the Society's aims

### STRUCTURE, MANAGEMENT & GOVERNANCE

The Society is administered by a Court of 15 trustees, which meets at least four times a year. All are Aldermen or Common Councilmen of the City of London Corporation and elected onto the Court of the Irish Society by fellow members of the Court of Aldermen and Common Council. Trustees for the period covered by the Report & Financial Statements are listed under Charity Information. The Society requires all trustees to commit to a written Code of Conduct governing their behaviour; all new trustees are given an introduction to the work of the Society and provided with copies of recent accounts and minutes of meetings; and are encouraged to participate in at least one formal visit to Northern Ireland as early as possible following appointment, to see the operations of the Society and the difference its grants make to the community. The Charity's Secretary is based in Coleraine, Northern Ireland, and the Assistant Secretary at Guildhall in London.

The trustees confirm that they are aware of the Guidance promulgated by the Charity Commission under the Charities Act 2011 in relation to Public Benefit, recognise their obligation to have regard thereto and – from the feedback received from grant recipients – are confident that their activities are delivering Public Benefit.

The Irish Society's Court has appointed a Finance Committee (chaired by the Deputy Governor) to consider and monitor its financial position and recommend the approval of the annual financial statements to its Court members. Committee members during the accounting year were as follows: Edward Lord, OBE, JP (Chair); Wendy Hyde (Vice Chair to 09/03/2023) Alderman Robert Howard; Philip Woodhouse; Mary Durcan JP; Peter Dunphy (to 09/03/23); Eamon Mullally (Vice Chair from 25/04/23); Hugh Selka (from 25/04/23); James Bromiley-Davis (from 25/04/23); Dawn Wright (from 25/04/23). Common Councilmen Nick Bensted-Smith, JP and Simon Duckworth OBE DL (from 25th April 2023) have been co-opted to the Finance Committee for investment matters

### KEY MANAGEMENT PERSONNEL REMUNERATION

The board of trustees and the Secretary are the key management personnel in charge of directing, controlling, running and operating the Society on a day to day basis. All trustees give of their time freely and no trustee remuneration was paid in the year. Details of reimbursed expenses and related party transactions are disclosed in the notes to the accounts (see page 25).

Trustees are required to disclose all relevant interests; register them with the Secretary; and, in accordance with the Society's policy, withdraw from discussion / decisions where a potential conflict of interest arises. The Assistant Secretary maintains a Register using information drawn from the City of London Corporation's declarations of interest.

The Secretary's salary is reviewed annually and, like that of other staff, normally increased in accordance with average earnings. In view of the nature of the Society, its economy of operations, and the extensive use of professional advisers, the trustees consider that a multiple of up to three times the median average salary for UK employees is appropriate for the role of Secretary. The remuneration is also benchmarked with grant-making charities of a similar size and activity to ensure that the level set is fair and not out of line with that generally paid for similar roles.

In early 2022 the Secretary informed the trustees of his intention to retire during the next financial year, subsequently the Society has set up a subcommittee, led by the Deputy Governor, tasked with appointing a suitable successor and has employed recruitment consultants to assist.

### STATEMENT OF THE COURT'S RESPONSIBILITIES

The Court is responsible for preparing a trustees' annual report and financial statements in accordance with applicable law and Relevant Financial Reporting Framework. The Court is required to prepare financial statements for each year, which give a true and fair view of the state of affairs of the Society and of the incoming resources and application of resources of the Society for that period. In preparing those financial statements, the Court is required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Society will continue in business.

The Court is responsible for maintaining proper accounting records that disclose with reasonable accuracy at any time the financial position of the Society and to enable them to ensure that the financial statements comply with the Charities Act 2011 and the applicable Charities (Accounts and Reports) Regulations. It is also responsible for safeguarding the assets of the Society and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Court is responsible for the maintenance and integrity of the charity and financial information included on the charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements.

### AUDITOR

In accordance with the company's articles, a resolution proposing that IDS Chartered Accountants LLP be reappointed as auditor of the company will be put at a General Meeting.

## TRUSTEES' REPORT (CONTINUED)

*FOR THE YEAR ENDED 30 APRIL 2023*

### DISCLOSURE OF INFORMATION TO AUDITOR

Each of the Trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The Trustees report was approved by Order of the Court

Alderman Sir William Anthony Bowater Russell
Governor

25 July 2023

# THE HONOURABLE THE IRISH SOCIETY

## INDEPENDENT AUDITOR'S REPORT

## TO THE TRUSTEES OF THE HONOURABLE THE IRISH SOCIETY

### Opinion

We have audited the financial statements of The Honourable The Irish Society (the 'Society') for the year ended 30 April 2023 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 30 April 2023 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the Society in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Society'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.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

### Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

**Responsibilities of Trustees**

As explained more fully in the Statement of the Court's Responsibilities, the Court is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Society'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 Trustees either intend to cease operations, or have no realistic alternative but to do so.

**Auditor's responsibilities for the audit of the financial statements**

We have been appointed as auditors under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our 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 an auditor's report that includes our 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.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities including fraud and non-compliance with laws and regulations, was as follows:

- we identified the laws and regulations applicable to the society through discussions with trustees and management, and from our commercial knowledge and experience of the sector;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence.

We assessed the susceptibility of the society's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations; and
- performing analytical procedures to identify any unusual or unexpected relationships;
- testing journal entries to identify unusual transactions;
- assessing whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias;
- investigating the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statements disclosures to underlying supporting documentation;
- enquiring of management as to actual and potential litigation and claims;
- reviewing correspondence with HMRC, relevant regulators and the Society's legal advisors.

There are inherent limitations in our audit procedures described above. The more removed laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

## TO THE TRUSTEES OF THE HONOURABLE THE IRISH SOCIETY

This report is made solely to the Society's trustees, as a body, in accordance with the Charities Act 2011. Our audit work has been undertaken so that we might state to the Society's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Society and the Society's trustees as a body for our audit work, for this report, or for the opinions we have formed.

IDS Chartered Accountants LLP

**IDS Chartered Accountants LLP**
**Statutory Auditor**
23/25 Queen Street
COLERAINE
Co Londonderry
BT52 1BG

25 July 2023

IDS Chartered Accountants LLP is eligible for appointment as auditor of the Society by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

# THE HONOURABLE THE IRISH SOCIETY

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

### *FOR THE YEAR ENDED 30 APRIL 2023*

| | Notes | Unrestricted funds 2023 £ | Restricted funds 2023 £ | Total 2023 £ | Total 2022 £ |
|---|---|---|---|---|---|
| **Income and endowments from:** | | | | | |
| Donations and grants | 3 | 30,000 | 50,000 | 80,000 | 70,000 |
| Other trading activities | 4 | 340,143 | - | 340,143 | 320,319 |
| Investment income | 5 | 253,075 | - | 253,075 | 256,823 |
| Other income | 6 | 4,144 | - | 4,144 | 1,683 |
| **Total income** | | 627,362 | 50,000 | 677,362 | 648,825 |
| **Expenditure on:** | | | | | |
| Managing funds | 7 | 6,598 | - | 6,598 | 19,165 |
| Charitable activities | 8 | 589,452 | 40,000 | 629,452 | 556,355 |
| **Total resources expended** | | 596,050 | 40,000 | 636,050 | 575,520 |
| **Trading surplus/(deficit)** | | 31,312 | 10,000 | 41,312 | 73,305 |
| Net unrealised gains/(losses) on investments | 14 | (294,209) | - | (294,209) | (192,206) |
| **Net movement in funds** | | (262,897) | 10,000 | (252,897) | (118,901) |
| Fund balances at 1 May 2022 | | 12,162,296 | 156,130 | 12,318,425 | 12,437,325 |
| **Fund balances at 30 April 2023** | | 11,899,399 | 166,130 | 12,065,529 | 12,318,425 |

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

# THE HONOURABLE THE IRISH SOCIETY

## BALANCE SHEET

### *AS AT 30 APRIL 2023*

| | Notes | £ | 2023<br>£ | £ | 2022<br>£ |
|---|---|---|---|---|---|
| **Fixed assets** | | | | | |
| Tangible assets | **15** | | 691,016 | | 707,517 |
| Investment properties | **16** | | 3,802,000 | | 3,802,000 |
| Investments | **17** | | 7,308,941 | | 7,603,150 |
| | | | 11,801,957 | | 12,112,667 |
| **Current assets** | | | | | |
| Debtors | **19** | 190,954 | | 184,921 | |
| Cash at bank and in hand | | 261,114 | | 252,648 | |
| | | 452,068 | | 437,569 | |
| **Creditors: amounts falling due within one year** | **20** | (188,497) | | (231,810) | |
| Net current assets | | | 263,571 | | 205,759 |
| **Total assets less current liabilities** | | | 12,065,529 | | 12,318,425 |
| **Income funds** | | | | | |
| Restricted funds | | | 166,130 | | 156,130 |
| Unrestricted funds | | | | | |
| General unrestricted funds | | 11,724,478 | | 11,987,374 | |
| Revaluation reserve | | 174,921 | | 174,921 | |
| | | | 11,899,399 | | 12,162,295 |
| | | | 12,065,529 | | 12,318,425 |

The financial statements were approved by the Trustees on 25 July 2023

**Trustee**

# THE HONOURABLE THE IRISH SOCIETY

## STATEMENT OF CASH FLOWS

### *FOR THE YEAR ENDED 30 APRIL 2023*

| | Notes | £ | 2023<br>£ | £ | 2022<br>£ |
|---|---|---|---|---|---|
| **Cash flows from operating activities** | | | | | |
| Cash absorbed by operations | **25** | | (234,418) | | (156,412) |
| **Investing activities** | | | | | |
| Purchase of tangible fixed assets | | (3,592) | | (2,691) | |
| Purchase of investments | | - | | (151,438) | |
| Schroders fees deducted at source | | (6,598) | | (10,006) | |
| Investment income received | | 253,075 | | 256,823 | |
| **Net cash generated from investing activities** | | | 242,885 | | 92,688 |
| **Net cash used in financing activities** | | | - | | - |
| **Net increase/(decrease) in cash and cash equivalents** | | | 8,467 | | (63,724) |
| Cash and cash equivalents at beginning of year | | | 252,648 | | 316,372 |
| **Cash and cash equivalents at end of year** | | | 261,114 | | 252,648 |

## 1 Accounting policies

### Charity information

The Honourable The Irish Society is a public benefit entity as defined by FRS102.

### 1.1 Accounting convention

The financial statements have been prepared in accordance with the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016). The Society is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the Society. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

### 1.2 Going concern

At the time of approving the accounts, the Trustees have a reasonable expectation that the Society has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the accounts.

In making this assessment the Trustees have considered the ongoing impact of the Covid-19 pandemic on the Society's cash flows and liquidity.

With respect to the next reporting period, the most significant areas of uncertainty that affect the carrying value of assets held by the Society are the levels of investment return and the performance of investment markets (see the Risk Management and Financial Review sections of the Trustees' report for more information).

### 1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in notes 3 and 8 to the financial statements.

### 1.4 Incoming resources

All income is recognised once:

- the charity has entitlement to the income;
- it is probable that the income will be received; and
- the amount of income receivable can be measured reliably.

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, VAT and other sales related taxes.

**1 Accounting policies** **(Continued)**

**1.5 Resources expended**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the Society to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses including support costs and governance costs are allocated or apportioned to the applicable expenditure headings.

Irrecoverable VAT is charged against the expenditure heading for which it was incurred.

The costs of generating funds consists solely of investment management fees.

Costs of charitable activities include grants made, governance costs and an apportionment of support costs as shown in Note 8.

Support costs have been allocated between governance costs and other support costs. Support costs include office and staff costs and have been allocated to the activity cost category or on a basis consistent with the use of resources – e.g. staff costs by the time spent, and other costs by their usage.

Governance costs comprise all costs involving the public accountability of the Society and its compliance with regulation and good practice. Governance costs include the governance arrangements which relate to the general running of the charity as opposed to the direct management functions in generating funds, service delivery, project work and grant making. These costs include such items as external legal advice, Trustees' expenses are associated with visits to Northern Ireland.

The allocation of support and governance costs is analysed in Note 11.

**1.6 Tangible fixed assets**

The Society's properties were valued in the prior financial year by O'Connor Kennedy Turtle, Chartered Surveyors, providing a market value as at 30 April 2021, in line with the Society's intentions of carrying out a formal valuation of its properties every five years in accordance with FRS 102.

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

| | |
|---|---|
| Leasehold land and buildings | Straight line over 50 years |
| Motor vehicles and boats | 25% straight line |
| Furniture and office equipment | 20% straight line |

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

Other properties occupied by the Society are not treated as investment properties. These are depreciated on a straight line basis over fifty years. They are similarly valued at least once in every five years and included in the above report.

**1 Accounting policies** **(Continued)**

**1.7 Investment properties**

Investment property, which is property held to earn rentals and/or for capital appreciation, is measured using the fair value model and stated at its fair value at the reporting end date. The surplus or deficit on revaluation is recognised in net income/(expenditure) for the year. No depreciation is provided on investment properties, in accordance with accounting standards. The majority of the investment properties which are generating rental income are valued by reference to yield. Those which are not generating rental income have been valued at the Trustees' best estimates.

**1.8 Fixed asset investments**

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

The Society does not acquire put options, derivatives or other complex financial instruments.

The main form of financial risk faced by the Society is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

**Realised gains and losses**

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

**1.9 Impairment of fixed assets**

At each reporting end date, the Society reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in income/ (expenditure) for the year, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately, unless the relevant asset is carried in at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

**1.10 Cash and cash equivalents**

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1 **Accounting policies** **(Continued)**

**1.11 Financial instruments**

The Society has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Society's balance sheet when the Society becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

***Basic financial assets***

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

***Basic financial liabilities***

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

***Derecognition of financial liabilities***

Financial liabilities are derecognised when the Society's contractual obligations expire or are discharged or cancelled.

**1.12 Taxation**

The Society is not liable to tax on capital gains, rent, investment income and certain other income.

**1.13 Employee benefits**

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the Society is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

## 2 Critical accounting estimates and judgements

In the application of the Society's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

**Critical judgements**

**Valuation of investment properties**

Investment properties were revalued as at 30 April 2021. It is the Society's policy to obtain external valuations every 5 years.

## 3 Donations and grants

| | Unrestricted funds | Restricted funds | Total | Total |
|---|---|---|---|---|
| | 2023 | 2023 | 2023 | 2022 |
| | £ | £ | £ | £ |
| Donations and grants | 30,000 | 50,000 | 80,000 | 70,000 |
| **For the year ended 30 April 2022** | 30,000 | 40,000 | | 70,000 |
| **Donations and gifts** | | | | |
| Grant from Drapers | - | 20,000 | 20,000 | 20,000 |
| Clothworkers grant | - | 20,000 | 20,000 | 20,000 |
| Annual contributions to small grants 2021-22 (6th year of 10) | 30,000 | - | 30,000 | 30,000 |
| Drapers to Co-Operation Ireland | - | 10,000 | 10,000 | - |
| | 30,000 | 50,000 | 80,000 | 70,000 |

## 4 Other trading activities

| | Unrestricted funds 2023 £ | Unrestricted funds 2022 £ |
|---|---|---|
| Commercial property rent | 173,162 | 169,186 |
| Fishing, coarse, game and sporting | 166,981 | 151,133 |
| Other trading activities | 340,143 | 320,319 |

## 5 Investment income

| | Unrestricted funds 2023 £ | Total 2022 £ |
|---|---|---|
| Dividends - equities | 253,075 | 256,823 |

## 6 Other income

| | Unrestricted funds 2023 £ | Total 2022 £ |
|---|---|---|
| Other income | 4,144 | 1,683 |

## 7 Managing funds

| | Unrestricted funds 2023 £ | Total 2022 £ |
|---|---|---|
| Investment management fees | 6,598 | 19,165 |
| | 6,598 | 19,165 |

## 8 Charitable activities

| | Education | Community Development | Environmental Protection & Improvement | Total 2023 | Total 2022 |
|---|---|---|---|---|---|
| | £ | £ | £ | £ | £ |
| Grant funding of activities (see note 9) | 142,923 | 74,817 | 26,459 | 244,196 | 232,065 |
| Share of support costs (see note 11) | 68,154 | 68,154 | 204,462 | 340,770 | 287,355 |
| Share of governance costs (see note 11) | 8,896 | 8,896 | 26,689 | 44,481 | 36,936 |
| | 219,973 | 151,867 | 257,610 | 629,452 | 556,355 |
| **Analysis by fund** | | | | | |
| Unrestricted funds | 198,918 | 132,924 | 257,610 | 589,452 | |
| Restricted funds | 21,057 | 18,943 | - | 40,000 | |
| | 219,975 | 151,867 | 257,610 | 629,452 | |
| **For the year ended 30 April 2022** | | | | | |
| Unrestricted funds | 155,496 | 150,434 | 209,555 | | 515,485 |
| Restricted funds | 13,050 | 27,820 | - | | 40,870 |
| | 168,546 | 178,254 | 209,555 | | 556,355 |

## 9 Grants payable

| | Education | Community Development | Environmental Protection & Improvement | Total 2023 | Total 2022 |
|---|---|---|---|---|---|
| | 2023 | 2023 | 2023 | | |
| | £ | £ | £ | £ | £ |
| Grants to institutions: | | | | | |
| Advisory Committee | 30,421 | 28,084 | 7,959 | 66,464 | 63,549 |
| Clothworkers | 6,464 | 13,536 | - | 20,000 | 19,500 |
| Drapers | 14,593 | 5,157 | - | 19,750 | 20,000 |
| London Budget | 91,895 | 27,540 | 18,500 | 137,935 | 106,263 |
| To Co-operation Ireland | - | - | - | - | 22,500 |
| Other | (2,700) | - | - | (2,700) | - |
| | 140,673 | 74,317 | 26,459 | 241,446 | 231,812 |
| Grants to individuals | 2,250 | 500 | - | 2,750 | 250 |
| | 142,923 | 74,817 | 26,459 | 244,196 | 232,062 |

The Society makes grants for assistance in line with its aims of promoting the welfare of County Londonderry and adjoining areas in Northern Ireland. Grants are made on a cross-community basis to local organisations and individuals for deserving causes and to local primary, secondary and tertiary educational establishments. Details of some of the London grants that the Society paid out during the year can be seen in the Trustees' Report (pages 4-5). Full details of all Advisory Committee, Drapers' and Clothworkers' grants can be found on the Society's website. Grants payable are payments made in furtherance of the charitable objectives of the Society.

## 10 Trustees

None of the Trustees (or any persons connected with them) received any remuneration or benefits from the Society during the year. Expense claims totalling **£4,319** (2022: £1,575) were reimbursed by the Society for travel and subsistence on behalf of **five** trustees.

## 11 Support costs

| | Support costs | Governance costs | 2023 | 2022 |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| Staff costs | 192,730 | 39,458 | 232,188 | 218,415 |
| Depreciation | 20,093 | - | 20,093 | 19,673 |
| Rent, rates, insurance & utilities | 26,522 | - | 26,522 | 17,938 |
| Repairs & maintenance | 17,970 | - | 17,970 | 9,105 |
| Advertising, PR, & printing | 1,514 | - | 1,514 | 293 |
| Telephone | 2,972 | - | 2,972 | 2,617 |
| Computer & website costs | 1,011 | - | 1,011 | 947 |
| Motor & travel | 28,508 | - | 28,508 | 19,006 |
| Legal & professional (NI property) | 30,227 | - | 30,227 | 30,594 |
| Audit & accountancy | 2,029 | - | 2,029 | 1,884 |
| Bad debt provision | 12,279 | - | 12,279 | - |
| General (office sundries, stationery, subscriptions) | 4,919 | - | 4,919 | 3,680 |
| Audit fees | - | 2,400 | 2,400 | 2,400 |
| Accountancy | - | 1,600 | 1,600 | 1,600 |
| Legal fees (non-property) | - | 1,023 | 1,023 | (3,859) |
| | 340,770 | 44,481 | 385,251 | 324,291 |
| Analysed between | | | | |
| Charitable activities | 340,770 | 44,481 | 385,251 | 324,291 |

Governance costs includes payments to the auditors of **£2,400 (2022 - £2,400)** for audit fees, and additional accounts preparation work of **£1,600 (2022 - £1,600).**

## 12 Employees

**Number of employees**

The average monthly number of full time equivalent employees during the year was:

| | 2023 Number | 2022 Number |
|---|---|---|
| Direct charitable activities | 4 | 4 |
| Administration | 2 | 2 |
| | 6 | 6 |

| Employment costs | 2023 £ | 2,022 £ |
|---|---|---|
| Wages and salaries | 180,669 | 171,201 |
| Social security costs | 19,667 | 17,292 |
| Other pension costs | 31,852 | 29,922 |
| | 232,188 | 218,415 |

No member of the Court received any remuneration.

The number of employees who received total employee benefits (excluding employer pension costs) of more than £60,000 is as follows:

| | 2023 Number | 2,022 Number |
|---|---|---|
| £60,001-£70,000 | 1 | 1 |

## 13 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

## 14 Net gains/(losses) on investments

| | Unrestricted funds | Total |
|---|---|---|
| | 2023 £ | 2022 £ |
| Net unrealised gains/(losses) on investments | (294,209) | (192,206) |

## 15 Tangible fixed assets

| | Leasehold land and buildings | Motor vehicles and boats | Furniture and office equipment | Total |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| **Cost or valuation** | | | | |
| At 1 May 2022 | 780,000 | 54,583 | 21,580 | 856,163 |
| Additions | - | 3,292 | 300 | 3,592 |
| At 30 April 2023 | 780,000 | 57,875 | 21,880 | 859,755 |
| **Depreciation and impairment** | | | | |
| At 1 May 2022 | 85,369 | 43,826 | 19,451 | 148,646 |
| Depreciation charged in the year | 15,600 | 3,287 | 1,206 | 20,093 |
| At 30 April 2023 | 100,969 | 47,113 | 20,657 | 168,739 |
| **Carrying amount** | | | | |
| At 30 April 2023 | 679,031 | 10,762 | 1,223 | 691,016 |
| At 30 April 2022 | 694,631 | 10,757 | 2,129 | 707,517 |

Land and buildings with a carrying amount of £780,000 were revalued at 30 April 2021 by O'Connor Kennedy Turtle, independent valuers not connected with the Society on the basis of market value. The valuation conforms to International Valuation Standards and was based on recent market transactions on arm's length terms for similar properties.

The Society owns paintings, silver and other fixed assets in Northern Ireland, which are included at a £Nil book value but were valued in June 2011 by Danny Kinahan Fine Art & Antiques at £272,630. The Society also owns some silver items, five badges of office, a 17th Century (copy) Royal Charter and a modern Charter, all normally held in London and together valued at £100,000. No further valuations have been obtained since June 2011.

## 16 Investment property

| | 2023 |
|---|---|
| | £ |
| **Fair value** | |
| At 1 May 2022 and 30 April 2023 | 3,802,000 |

Investment property comprises a number of different commercial properties. The fair value of the investment properties has been arrived at on the basis of a valuation carried out at 30 April 2021 by O'Connor Kennedy Turtle Chartered Surveyors, who are not connected with the Society. The valuation was made on an open market value basis by reference to market evidence of transaction prices for similar properties. It is the accounting policy of the company to obtain independent valuations for investment properties every five years.

## 17 Fixed asset investments

| | Listed investments | Other investments | Cash held by investment manager | Total |
|---|---|---|---|---|
| | £ | £ | | £ |
| **Cost or valuation** | | | | |
| At 1 May 2022 & 30 April 2023 | 7,599,574 | 2 | 3,574 | 7,603,150 |
| **Carrying amount** | | | | |
| At 30 April 2023 | 7,599,574 | 2 | 3,574 | 7,603,150 |
| At 30 April 2022 | 7,599,574 | 2 | 3,574 | 7,603,150 |

## 18 Financial instruments

| | 2023 | 2022 |
|---|---|---|
| | £ | £ |
| **Carrying amount of financial assets** | | |
| Instruments measured at fair value through profit or loss | 7,308,658 | 7,599,574 |

## 19 Debtors

| | 2023 | 2022 |
|---|---|---|
| **Amounts falling due within one year:** | £ | £ |
| Trade debtors | 131,328 | 113,248 |
| Other debtors | 51,654 | 64,450 |
| Prepayments and accrued income | 7,971 | 7,223 |
| | 190,954 | 184,921 |

## 20 Creditors: amounts falling due within one year

| | 2023 | 2022 |
|---|---|---|
| | £ | £ |
| Other taxation and social security | 31,707 | 38,791 |
| Trade creditors | 1,829 | 5,191 |
| Other creditors | 128,650 | 166,380 |
| Accruals and deferred income | 26,311 | 21,448 |
| | 188,497 | 231,810 |

## 21 Retirement benefit schemes

The Society operates a Pension Scheme providing benefits based on final pensionable pay for all of its employees.

The assets of the Scheme are held separately from those of the Society in the City of London Corporation Pension Fund.

The Scheme is a funded, defined benefit scheme. However it is also classified as a multi-employer scheme under FRS 102. Although the employer's contributions are affected by a surplus or deficit in the scheme, the employer is unable to identify its share of the underlying assets and liabilities in the scheme on a consistent and reasonable basis.

As a result, the Scheme is accounted for as if it were a defined contribution scheme, as required by FRS 102. The employer's contributions made to the Scheme in the period were £31,852 (2022: £29,922), with an employer's contribution rate of 17.5% of pensionable pay. Employee's contributions were between 5.5% and 12.5% of pensionable pay.

| Valuation date | 31 March 2022 | 31 March 2019 |
|---|---|---|
| Value of assets (smoothed) | £1,370m | £1,063m |
| Value of liabilities | £1,404m | £1,176m |
| Funding level of accrued benefits | 98% | 90% |
| Investment return on future contributions per annum | 4.6% | 5.7% |
| Investment return on accumulated assets per annum | 4.6% | 5.7% |
| Pension increases per annum | 2.9% | 2.6% |
| Rate of price inflation | 2.9% | 2.6% |

## 22 Analysis of net assets between funds

| | Unrestricted 2023 £ | Restricted 2023 £ | Total 2023 £ | Unrestricted 2022 £ | Restricted 2022 £ | Total 2022 £ |
|---|---|---|---|---|---|---|
| Fund balances at 30 April 2023 are represented by: | | | | | | |
| Tangible assets | 691,016 | - | 691,016 | 707,517 | - | 707,517 |
| Investment properties | 3,802,000 | - | 3,802,000 | 3,802,000 | - | 3,802,000 |
| Investments | 7,308,941 | - | 7,308,941 | 7,603,150 | - | 7,603,150 |
| Current assets/(liabilities) | 263,570 | - | 263,570 | 205,759 | - | 205,759 |
| | 12,065,529 | - | 12,065,529 | 12,318,425 | - | 12,318,425 |

**23 Operating lease commitments**

At the reporting end date the Society had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

| | 2023 | 2022 |
|---|---|---|
| | £ | £ |
| Within one year | 550 | 550 |

This refers to the monthly Licence to Occupy arrangement with the City of London Corporation in respect of the Society's office at Guildhall, London.

**24 Related party transactions**

**Remuneration of key management personnel**

The remuneration of key management personnel is as follows.

| | 2023 | 2022 |
|---|---|---|
| | £ | £ |
| Aggregate compensation | 85,414 | 82,236 |

The Society considers its key management personnel to comprise the Trustees and the Society's Secretary & Representative (Northern Ireland).

No guarantees have been given or received.

**25 Cash generated from operations**

| | 2023 | 2022 |
|---|---|---|
| | £ | £ |
| Deficit for the year | (252,897) | (118,901) |
| Adjustments for: | | |
| Investment income recognised in statement of financial activities | (246,477) | (237,658) |
| Fair value gains and losses on investments | 294,209 | 192,206 |
| Depreciation and impairment of tangible fixed assets | 20,093 | 19,673 |
| Movements in working capital: | | |
| (Increase) in debtors | (6,033) | (16,242) |
| (Decrease)/increase in creditors | (43,313) | 4,510 |
| **Cash absorbed by operations** | (234,418) | (156,412) |

**Our Mission Statement:**

***'To work in partnership for the economic and social benefit of Northern Ireland'***

**For more information about how to join us in helping communities in Northern Ireland, contact us at:**

**office@irishsociety.co.uk**

**or visit our website at:**

**www.honourableirishsociety.org.uk/**

**THE HONOURABLE THE IRISH SOCIETY**

England & Wales - Charity number 1150776

# Accounts

Charity No. 1150776 (England and Wales)

Chartered Accountants Irwin Donaghey Stockman

# THE HONOURABLE THE IRISH SOCIETY

## ANNUAL REPORT AND FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 30 APRIL 2022

Irwin Donaghey Stockman LLP
23/25 Queen Street
COLERAINE
Co Londonderry
BT52 1BG

CHARTERED ACCOUNTANTS IRELAND

# THE HONOURABLE THE IRISH SOCIETY

Chartered Accountants Irwin Donaghey Stockman

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# THE HONOURABLE THE IRISH SOCIETY

## CHARITY INFORMATION

| | |
|---|---|
| **Charity registration number** | 1150776 |
| **Registered office** | PO Box 270<br>Guildhall<br>LONDON<br>EC2P 2EJ |
| **Auditor** | Irwin Donaghey Stockman LLP<br>23/25 Queen Street<br>COLERAINE<br>Co Londonderry<br>BT52 1BG |
| **Bankers** | Danske Bank<br>Corporate Banking Centre<br>PO Box 183<br>BELFAST<br>BT1 6JS |
| **Investment managers** | Baring Fund Managers Ltd<br>20 Old Bailey<br>LONDON<br>EC4M 7BF (to August 2021)<br><br>Cazenove Capital Management<br>1 London Wall Place<br>LONDON<br>EC2Y 5AU<br><br>CCLA Fund Managers Ltd<br>Senator House<br>85 Queen Victoria Street<br>LONDON<br>EC4V 4ET (from August 2021) |
| **Solicitors** | Elliott Duffy Garrett<br>40 Linenhall Street<br>BELFAST<br>BT2 8BA |

Chartered Accountants Irwin Donaghey Stockman

## CHARITY INFORMATION

**List of Trustees 2021-22**

| | |
|---|---|
| **Governor:** | Alderman Sir William Anthony Bowater Russell |
| **Deputy Governor:** | Wendy Hyde, Deputy |
| **Aldermen:** | Robert Picton Seymour Howard (from 10/03/2022)<br>Gregory Jones, QC<br>Nicholas Stephen Leland Lyons (to 10/03/2022) |
| **Commoners:** | John David Absalom, Deputy<br>Peter Gerard Dunphy, Deputy<br>Christopher Michael Hayward, Deputy<br>Charles Edward Lord, OBE, JP, Deputy<br>Philip Woodhouse, Deputy<br>Mary Durcan (from 10/03/2022)<br>Dawn Linsey Wright (from 10/03/2022)<br>Oliver Sells, QC (from 10/03/2022)<br>Shravan Jashvantrai Joshi, MBE, Deputy (from 10/03/2022)<br>James Henry George Pollard, Deputy (to 10/03/2022)<br>Simon D'Olier Duckworth, OBE, DL, (to 10/03/2022)<br>Vivienne Littlechild, MBE, JP (to 10/03/2022)<br>Jeremy Lewis Simons, OBE, MSc (to 10/03/2022)<br>Hugh Fenton Morris, Deputy (to 24/03/2022)<br>Ian Christopher Norman Seaton, MBE (to 10/03/2022) |
| **Society's Representative (Northern Ireland) & Secretary:** | Edward Montgomery, MBE DL |
| **Assistant Secretary:** | Candya L Farmer |

# THE HONOURABLE THE IRISH SOCIETY

## TRUSTEES' REPORT

## *FOR THE YEAR ENDED 30 APRIL 2022*

The Trustees are pleased to present their annual report and financial statements for the year ended 30 April 2022.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Society's governing document, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019).

### WHO ARE WE?

Established through Royal Charters granted by King James I in 1613 and King Charles II in 1662, The Honourable The Irish Society has since then maintained interests and managed its ownership in land, buildings and rivers for the benefit of the community of County Londonderry and adjoining areas. A modernising Supplemental Charter was granted to the Irish Society on 20 December 2012. The Society is registered as a charity with the Charity Commission for England and Wales - Registration number 1150776.

### OBJECTIVE

From its early association with the Plantation of Ulster, the Irish Society has evolved into a self-funding, cross-community charitable organisation; a succession of trustees have been committed to ensuring that the Society continues to make a positive impact by remaining contemporary, credible and relevant in everything that it does; and they have agreed a Mission Statement *"to work with key partners for the economic and social benefit of Northern Ireland".*

The Society's objects are defined in the 2012 Supplemental Charter as follows: The promotion of any exclusively charitable purpose for the benefit of the community of the County of Londonderry and neighbouring areas including those within the following descriptions:

- the advancement of education;
- the advancement of citizenship or community development;
- the advancement of the arts, culture, heritage or science;
- the advancement of amateur sport;
- the advancement of environmental protection or improvement; and/or
- the relief of those in need by reason of youth, age, ill-health, disability, financial hardship or other disadvantage.

## ACTIVITIES, ACHIEVEMENTS & PERFORMANCE

### OVERVIEW

The year saw a gradual recovery from the worst effects of the Coronavirus pandemic, but it continued to have an impact on the Society's normal activity.

- The staff continued with a mixture of working from home and attending the offices in Guildhall and Cutts House, Coleraine. Virtual meetings of the various sub-committees took place throughout the year, although Court meetings in London reverted to 'face to face' after the summer of 2021 as Guildhall reopened its doors.
- Trustee visits to Northern Ireland in June, October and February saw a welcome return towards normality, but there were inevitably fewer face to face group engagements, large scale gatherings and less entertainment. The aim was to ensure that key business got done, while minimising risks to either trustees or those being visited. School prize days were especially affected.
- Charitable activity continued at the high level of the past few years, with over **£200,000** allocated in direct grants and an increased budget given to the Local Advisory Committee. Some programmes, such as the National Citizen Service NI were obliged to find innovative ways to operate under the pandemic conditions but continued to enjoy the Society's support nonetheless. One special area of support this year were 2 projects to support local councils celebrate the 100th anniversary of Northern Ireland's foundation, along with a trip to the City of London for local Mayors. Financial support from the Drapers and Clothworkers Livery Companies was maintained as in previous years.
- Commercial Property activity was relatively quiet, although progress was made in bringing a full planning application for redevelopment of the Castleroe Laboratory Site to Causeway Coast & Glens Borough Council. Some of our smaller tenants continued to struggle with the Covid-19 consequences of enforced closures and the reluctance of people to visit town centres.
- The fisheries of the Lower Bann saw a busy year with one of the best salmon runs (again) in the region and benign fishing conditions for the majority of the summer. Over 600 salmon were taken and released safely alive from the prime beat at Carnroe.

### CHARITABLE GRANTS

Applications for **small grants** to local 'not-for-profit' organisations can be made through a simple process – by e-mail, post or via the Society's website (www.honourableirishsociety.org.uk). All applications are scrutinised by a Local Advisory Committee (LAC) which has existed since 1974 and is comprised of cross-party elected representatives drawn from three local authorities in County Londonderry established in April 2015: Causeway Coast & Glens Borough Council; Derry City & Strabane District Council; and Mid Ulster District Council. Grants are equally available to both main sections of Northern Ireland's divided community, Roman Catholic and Protestant, on a wholly impartial basis – which reflects the broad makeup of the community in which the Society works. Indeed, many of the grants made go to groups in which Catholics and Protestants work together in harmony promoting peace and reconciliation.

The Society has been able to achieve a much greater charitable impact in Northern Ireland in recent years, thanks to the active support of City Livery Companies and the City of London Corporation. The trustees again acknowledge with much gratitude donations from:

- **The Drapers' Company** - annual donation to the Society's small grants programme of **£20,000**.
- **The Clothworkers' Foundation** – a continuing donation of **£20,000** to the Northern Ireland Fund, enabling the Society to reach out to other parts of NI beyond the North West.
- **The City of London Corporation** - again boosting the Society's general grant-making ability by **£30,000** (an increase of £5,000 from previous years) - offsetting reduced income from capital tied up in a potential property development site in Coleraine. In 2021-22 this largely enabled support for the NI Centenary and associated projects mentioned above, plus contribution to a clean-up project on the River Bann organised by Sea2it - a Community Interest Company with a mission to bring together community groups, schools and individuals as volunteers to tackle marine and freshwater litter on the river estuary around Coleraine.

## SCHOOLS & EDUCATION SUPPORT

**Primary Schools (Ballougry, Culmore, D H Christie Memorial, The Irish Society's and Millburn):** Although all have been in the state controlled sector for many years, the Society's trustees continue to maintain a special link and level of financial support for five primary schools in County Londonderry that were originally founded by the Irish Society for both Protestant and Catholic children between the ages of 4 and 11. As in previous years, the Society contributed to annual prize-giving for pupils completing their primary education. And a donation was also made to each school at Christmas time towards festivities. Although some outdoor and/or limited meetings between trustees and schools were possible, the Secretary had to undertake most prize givings alone and no schools were able to visit the City of London, for the second year. However, across the five primary schools, over 1,300 children still benefit every year from the Society's support.

After a break due to Covid-19, the Society was this year able to fund Hatchery in the Classroom – an environmental project for primary schools along the Lower Bann corridor - with **£8,000.** This paid for Mark Patterson, our long-serving consultant, to deliver the programme in 9 primary schools along the Lower Bann corridor, pairing mainly Catholic schools with mainly Protestant ones for extra community benefit. Mark has informed the Society of his intention to retire after some 15 years delivering this very popular programme, but he has found a worthy successor in Stephen McIlwaine who was able to meet the trustees in February 2022 at a school event.

**Secondary Schools:** During the year, the Irish Society again partnered with Enterprise Causeway to deliver a Careers Convention in March 2022 with **£5,000**, enabling the event to take place to the benefit of well over 1,000 children from schools all over the North-West. Without the Society's funding, this event (which was held online again, following a move to 'virtual' during the pandemic) would not have happened.

The Society also continued to support the Star Programme linking **Lisneal College** and **St Mary's College** in Londonderry. In February the Governor and other trustees were once again able to make an actual visit to St Mary's, where they heard first hand of the special Saturday School activities that our funds are used for. Riding and bowling seem to be the most popular and the collaboration between the two schools was as evident as always.

The Society's annual support for **Sandelford School** in Coleraine, which caters for children from ages 3 to 19 with a wide range of special educational needs, was repeated this year and **£5,000** was given towards the fitting out of 2 new sensory rooms, which help to calm agitated or distressed children. No trustee visit was possible during the pandemic but, as always, the Principal has confirmed how significant the Society's continuing support is for the School and Edward Montgomery was able to visit to hand over the funding and see the proposed works. He also took the opportunity to say farewell to Sharon Tennant, the long-serving Principal, as she is retiring at the end of the current academic year.

At tertiary education level, a new initiative received the Society's support this year: Ulster University's Magee Campus in Derry-Londonderry opened its new Graduate Medical School which has been long-fought for locally and will hopefully lead to a better level of medical service in the North-West in the medium term. Of the 72 first year intake, 12 students were in need of bursary support to enable them to carry out their studies and the Society was one of a number of charities which responded by funding 2 half bursaries of **£3,000** each, on a 4-year commitment. The Deputy Governor and colleagues had the pleasure of meeting the first two students on their visit to Magee in October.

## OTHER GRANTS

During the year, just over 100 small community grants and around a dozen larger grants were made by the Society.

The largest of these remains our support for Co-operation Ireland in delivering the National Citizen Service in NI. In the year, **£22,500** was donated to an adjusted programme for young leaders and former NCS students in Londonderry and Coleraine; this was because the government department responsible for the whole programme in NI had decided to 'pause' its support due to the pandemic. Over 20 young people benefited from personal improvement training and working with other young people on social and community projects.

Other larger grants were made to a wide variety of organisations in need, such as: Cavell Nurses Trust to support nurses and care staff in difficulties, Age Concern Causeway to support older people, a Walled City Passion Play on Derry's Walls, assisting in the purchase of new vehicles for St John Ambulance in the North West, helping mental health charity Ashes to Gold in Coleraine and replacing a worn out organ in a Culmore church with historic connections to the Society.

2021 saw the 100th anniversary of Northern Ireland and the Society was approached by local councillors and organisations seeking its support for commemorative activities. Given the sensitivities around the subject, a sub-committee worked with Causeway Coast & Glens Borough Council and Derry City & Strabane District Council to come up with a workable project for each council.

- **£13,000** was granted for the purchase of twenty NI 100 Centennial benches for Derry City & Strabane District Council. A specific application process was established along similar lines to last year's Schools IT Fund, resulting in the allocation of steel benches to a range of community organisations in Derry-Londonderry and the surrounding area that had requested one.

- **£12,500** was granted to Causeway Coast & Glens Borough Council as a contribution to the commissioning and installation of a commemorative stained-glass window for Coleraine Town Hall, featuring local places, people and events from the last 100 years. The Secretary took part in a joint working group with Council officers and stakeholders which finally agreed on a design which is now being worked up by the artist, and currently subject to a Council equality screening exercise.

In addition, the Mayors of Causeway and Derry City were invited to visit London over 12/13th November to attend the Silent Ceremony, take lunch with the Irish Society trustees and watch the Lord Mayor's Show as guests of the City, along with other dignitaries, from a viewpoint on the south transept of St Paul's Cathedral. Both Mayors and council officers who attended expressed their gratitude for the invitation and the opportunity to network with the City and the Irish Society.

## RIVER & ENVIRONMENTAL MANAGEMENT

The Society continued to manage the 38 mile long Lower Bann river and its fisheries this year. The voluntary sub-committee (Bann Division) maintained its overwatch of the fishing and environmental protection operations, as it has done for many years.

One full-time and two part-time members of staff were employed during the year to perform river bailiffing, management and protection duties for the Society - which involves regular patrolling of the river and its tributaries to enforce the government's Catch & Release policy and prevent / deter general poaching, pollution and predation of the fisheries. This expenditure of over **£100,000** per annum is necessary given the extent and importance of the Lower Bann fisheries to the whole NI economy and environment and as a resource for recreation, tourism and education.

The income from fishing was slightly below last year's level but still very strong compared with a few years ago. Another excellent run of salmon was counted, giving yet more comfort to local fishermen and ghillies that the river is slowly recovering from many years of decline. Game fishing enjoyed very suitable weather conditions during June-September, with low river flows which suit our beats due to the dry summer. The pandemic's effects on fishing had always been relatively slight and this year saw no difficulties encountered.

Tourist angling is slowly taking off, due to the work of our agent Cressabelle, run by Catherine and Kieran Deery.

Coarse fishing competitions returned to the Bann in the autumn of 2021 and were well-attended by over 40 NI/ GB/RoI anglers.

No angling conference or events were held during the year, but plans are afoot to host another hybrid event in Coleraine in the autumn of 2022.

A river bank clean-up campaign on the Lower Bann estuary was grant aided in autumn 2021 and it is hoped to turn this into a regular activity as plastic and other waste has started to spoil enjoyment of the river.

## COMMERCIAL PROPERTY ESTATE

A summary of activity in the Society's commercial property portfolio during the year is as follows:

- A full planning application for the redevelopment of the former ABC Laboratory site at Castleroe was submitted just before Christmas 2021. The expectation is that a decision will be forthcoming from Causeway Coast & Glens planners in the autumn of 2022 – these matters are typically taking 9-12 months to be assessed. The application is for a development of 34 apartments, a business unit and café, with parking and amenity areas.
- The neighbouring and larger former Spanboard factory site remains undeveloped, with no active marketing taking place during the year, but from time to time unsolicited offers are received from developers indicating that the site is of considerable value to the Society. No offers have yet resulted in negotiations. Meanwhile, a local engineering firm is using the hard-surfaced part of the site for open air storage of completed equipment prior to delivery to clients, in return for some useful rent.
- The Society continues to experience some difficulties with some of its small shops in Coleraine town centre, with the departure of one tenant before Christmas and the delayed opening of another's business. Despite the difficulties faced by small businesses, two new possible tenants had come forward by the year end and it is hoped a deal can be reached to get all 4 shops open once more.
- The leasing situation at the Rocks Lodge Trout Farm in Co Tyrone remains unresolved, although the tenant Dawnfresh Seafoods Ltd is operating a fish farm and paying rent to the Society.

## RISK MANAGEMENT

Trustees are mindful of the Society's Policy on Risk and elements of the Risk Register are reviewed at every Court meeting on a rolling basis to ensure that all relevant risks are given due consideration and the Register is updated in its entirety over a 12-month period. Overall, the trustees consider that the assets of the Society will continue to be well diversified. The commitments that the Society has to honour by law are not significant.

## FINANCIAL REVIEW

It is the policy of the trustees to generate sufficient income to pay for the Society's charitable purposes and management each year, while maintaining the overall value of the Society's assets, so that it may continue to achieve its charitable objectives into the future. The trustees aim to spend increased resources each year on charitable activities based on budgeted income and expenditure, while at the same time maintaining sufficient reserves to meet any expected capital requirements.

The Society has a number of mainly commercial properties and property interests in Northern Ireland which it uses to generate income for grant-giving purposes in support of its activities. The property portfolio was professionally revalued in early 2021 with a total restated value of £3.8m (up from £3.2m in 2016).

The Society also has an investment portfolio managed on a discretionary basis by external fund managers – at the start of the year by Barings Targeted Return Fund and Cazenove Capital Management. Early in the year, Barings announced they intended to close their fund, thus making it essential for the Society to find an alternative. A beauty parade process was undertaken, led by the Deputy Governor with expert assistance and CCLA were appointed during August 2021 on a balanced management basis.

Towards the end of the year, following meetings with Cazenove, it was decided to split their portfolio into 3 elements, to take advantage of a private equity fund (10%), a specialist ESG fund (40%) and the remaining 50% staying in the original Charity Multi Asset Fund. While the income derived from these new arrangements will likely be slightly reduced, there is potential for better capital growth.

In general, there are no restrictions on the investments that the Society can make. The portfolios are monitored against industry benchmarks and a specific target.

The Society's cash investments are deposited in the charities pooled fund operated by the City of London Corporation and managed externally on its behalf.

At 30 April 2022 free reserves amounted to £11,987,374 (2021: £12,105,405) - see Balance Sheet at page 20.

## REVIEW OF CHARITABLE ACTIVITIES IN THE YEAR

Net Incoming Resources in the year to 30 April 2022 were **-£118,901** (2021: £1,588,063). The reduction was mainly due to less favourable investment conditions in the spring of 2022 affecting the Society's portfolios, as international markets reacted negatively to the Russian invasion of Ukraine and associated economic shocks, particularly in the energy sectors.

Charitable expenditure amounted to £556,355 (2021: £572,104). Taking into account other unrealised losses of £192,206 (2021: £1,539,852) as set out on page 15, this left an overall deficit for the year of £118,901 (2021: surplus of £1,684,644).

## PLANS FOR FUTURE PERIODS

During the period, the Society has continued to keep tight control of its administration and other costs. As a result, the trustees were again able to allocate increased funds to the charitable budget during the year, and it is hoped this trend will continue into the future, based on the following strategies:

- The trustees believe that the Irish Society could achieve more if greater funds were available generally, and they continue to work with the London Livery Companies – particularly those with historic connections in County Londonderry. The longer term intention is to expand the number of Livery Companies engaged – not just with the purpose of increasing funding ability but by harnessing their networks and expertise.
- The Society will also seek to develop connections with philanthrophic individuals and organisations, including the Northern Irish diaspora that may consider the Society as a charitable vehicle for making donations into the Province for specific projects such as the NI National Citizen Service.
- Trustees will also continue to work with partner organisations such as Co-operation Ireland, Cavell Nurses Trust and Community Foundation NI where their objectives align with the Irish Society's strategy. They will also explore what other organisations might be engaged to further the Society's aims.
- The Society has a long term aim of restructuring / developing its property portfolio where possible to produce an increased income, especially by bringing the Castleroe sites to fruition. To this end, the trustees intend to carry out a strategic review of commercial property in the next year.
- Resources will continue to be spent on managing the fishery assets and protecting the environment of the Lower Bann River and its tributaries in order to enable greater public use and enjoyment, while generating a surplus of income over expenditure - especially by developing external angling tourism, which has to date been very modest in NI. A tourist agent, Cressabelle, was appointed in 2020 and it is hoped will lead in due course to increased levels of tourist bookings for fishing and accommodation in the area.

## STRUCTURE, MANAGEMENT & GOVERNANCE

The Society is administered by a Court of 15 trustees, which meets at least four times a year. All are Aldermen or Common Councilmen of the City of London Corporation and elected onto the Court of the Irish Society by fellow members of the Court of Aldermen and Common Council. Trustees for the period covered by the Report & Financial Statements are listed under Charity Information. The Society requires all trustees to commit to a written Code of Conduct governing their behaviour; all new trustees are given an introduction to the work of the Society and provided with copies of recent accounts and minutes of meetings; and are encouraged to participate in at least one formal visit to Northern Ireland as early as possible following appointment, to see the operations of the Society and the difference its grants make to the community. The Charity's Secretary is based in Coleraine, Northern Ireland, and the Assistant Secretary at Guildhall in London.

The trustees confirm that they are aware of the Guidance promulgated by the Charity Commission under the Charities Act 2011 in relation to Public Benefit, recognise their obligation to have regard thereto and – from the feedback received from grant recipients – are confident that their activities are delivering Public Benefit.

The Irish Society's Court has appointed a Finance Committee (chaired by the Deputy Governor) to consider and monitor its financial position and recommend the approval of the annual financial statements to its Court members. Committee members during the accounting year were as follows: **Wendy Hyde**, (Chair to 31/03/2022 and Vice Chair thereafter); **Edward Lord**, (Chair from 31/03/2022); **Simon Duckworth**, (to 10/03/2022); **Peter Dunphy**, (Vice Chair to 31/03/2022); **Mary Durcan**, (from 31/03/2022); **Alderman Robert Howard**, (from 31/03/2022); **Henry Pollard**, (to 10/03/2022); **Alderman Nicholas Lyons**, (to 10/03/2022); **Ian Seaton**, (to 10/03/2022); and **Philip Woodhouse**. And Common Councilman **Nicholas Bensted-Smith**, remains a co-opted member of the Finance Committee for investment matters.

## KEY MANAGEMENT PERSONNEL REMUNERATION

The board of trustees and the Secretary are the key management personnel in charge of directing, controlling, running and operating the Society on a day to day basis. All trustees give of their time freely and no trustee remuneration was paid in the year. Details of reimbursed expenses and related party transactions are disclosed in the notes to the accounts (see note 10).

Trustees are required to disclose all relevant interests; register them with the Secretary; and, in accordance with the Society's policy, withdraw from discussion / decisions where a potential conflict of interest arises. The Assistant Secretary maintains a Register using information drawn from the City of London Corporation's declarations of interest.

The Secretary's salary is reviewed annually and, like that of other staff, normally increased in accordance with average earnings. The remuneration is also benchmarked with grant-making charities of a similar size and activity to ensure that the level set is fair and not out of line with that generally paid for similar roles.

## STATEMENT OF THE COURT'S RESPONSIBILITIES

The Court is responsible for preparing a trustees' annual report and financial statements in accordance with applicable law and Relevant Financial Reporting Framework. The Court is required to prepare financial statements for each year, which give a true and fair view of the state of affairs of the Society and of the incoming resources and application of resources of the Society for that period. In preparing those financial statements, the Court is required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Society will continue in business.

The Court is responsible for maintaining proper accounting records that disclose with reasonable accuracy at any time the financial position of the Society and to enable them to ensure that the financial statements comply with the Charities Act 2011 and the applicable Charities (Accounts and Reports) Regulations. It is also responsible for safeguarding the assets of the Society and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Court is responsible for the maintenance and integrity of the charity and financial information included on the charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements.

## AUDITOR

In accordance with the company's articles, a resolution proposing that Irwin Donaghey Stockman LLP be reappointed as auditor of the company will be put at a General Meeting.

## TRUSTEES' REPORT (CONTINUED)

*FOR THE YEAR ENDED 30 APRIL 2022*

### DISCLOSURE OF INFORMATION TO AUDITOR

Each of the Trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The Trustees report was approved by Order of the Court

Alderman Sir William Anthony Bowater Russell
Governor

20 July 2022

Chartered Accountants Irwin Donaghey Stockman

## INDEPENDENT AUDITOR'S REPORT

## TO THE TRUSTEES OF THE HONOURABLE THE IRISH SOCIETY

### Opinion

We have audited the financial statements of The Honourable The Irish Society (the 'Society') for the year ended 30 April 2022 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 30 April 2022 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the Society in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Society'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.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

### Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

**Responsibilities of Trustees**

As explained more fully in the Statement of the Court's Responsibilities, the Court is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Society'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 Trustees either intend to cease operations, or have no realistic alternative but to do so.

**Auditor's responsibilities for the audit of the financial statements**

We have been appointed as auditors under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our 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 an auditor's report that includes our 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.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities including fraud and non-compliance with laws and regulations, was as follows:

- we identified the laws and regulations applicable to the society through discussions with trustees and management, and from our commercial knowledge and experience of the sector;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence.

We assessed the susceptibility of the society's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations; and
- performing analytical procedures to identify any unusual or unexpected relationships;
- testing journal entries to identify unusual transactions;
- assessing whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias;
- investigating the rationale behind significant or unusual transactions.

Chartered Accountants Irwin Donaghey Stockman

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

## TO THE TRUSTEES OF THE HONOURABLE THE IRISH SOCIETY

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statements disclosures to underlying supporting documentation;
- enquiring of management as to actual and potential litigation and claims;
- reviewing correspondence with HMRC, relevant regulators and the Society's legal advisors.

There are inherent limitations in our audit procedures described above. The more removed laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

**Other matters**

This report is made solely to the society's members, as a body, in accordance with section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Society and the Society's members as a body, for our audit work, for this report, or for the opinions we have formed.

**Mr Ian Donaghey MBE, (Senior Statutory Auditor)**
**for and on behalf of Irwin Donaghey Stockman LLP**
**Chartered Accountants**
**Statutory Auditor**
23/25 Queen Street
COLERAINE
Co Londonderry
BT52 1BG

20th July 2022

Irwin Donaghey Stockman LLP is eligible for appointment as auditor of the Society by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

# THE HONOURABLE THE IRISH SOCIETY

Chartered Accountants Irwin Donaghey Stockman

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

*FOR THE YEAR ENDED 30 APRIL 2022*

| | Notes | Unrestricted funds 2022 £ | Restricted funds 2022 £ | Total 2022 £ | Total 2021 £ |
|---|---|---|---|---|---|
| **Income and endowments from:** | | | | | |
| Donations and grants | 3 | 30,000 | 40,000 | 70,000 | 95,000 |
| Other trading activities | 4 | 320,319 | - | 320,319 | 284,578 |
| Investment income | 5 | 256,823 | - | 256,823 | 270,275 |
| Other income | 6 | 1,683 | - | 1,683 | 4,375 |
| **Total income** | | 608,825 | 40,000 | 648,825 | 654,228 |
| **Expenditure on:** | | | | | |
| Managing funds | 7 | 19,165 | - | 19,165 | 33,913 |
| Charitable activities | 8 | 515,485 | 40,870 | 556,355 | 572,104 |
| **Total resources expended** | | 534,650 | 40,870 | 575,520 | 606,017 |
| **Trading surplus/(deficit)** | | 74,175 | (870) | 73,305 | 48,211 |
| Net unrealised gains/(losses) on investments | 13 | (192,206) | - | (192,206) | 1,539,852 |
| **Net (outgoing)/incoming resources** | | (118,031) | (870) | (118,901) | 1,588,063 |
| **Other recognised gains and losses** | | | | | |
| Revaluation of tangible fixed assets | | - | - | - | 96,581 |
| **Net movement in funds** | | (118,031) | (870) | (118,901) | 1,684,644 |
| Fund balances at 1 May 2021 | | 12,280,326 | 157,000 | 12,437,326 | 10,752,682 |
| **Fund balances at 30 April 2022** | | 12,162,295 | 156,130 | 12,318,425 | 12,437,326 |

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

# THE HONOURABLE THE IRISH SOCIETY

Chartered Accountants Irwin Donaghey Stockman

## BALANCE SHEET

*AS AT 30 APRIL 2022*

| | Notes | £ | 2022<br>£ | £ | 2021<br>£ |
|---|---|---|---|---|---|
| **Fixed assets** | | | | | |
| Tangible assets | **14** | | 707,517 | | 724,501 |
| Investment properties | **15** | | 3,802,000 | | 3,802,000 |
| Investments | **16** | | 7,603,150 | | 7,653,074 |
| | | | 12,112,667 | | 12,179,575 |
| **Current assets** | | | | | |
| Debtors | **18** | 184,920 | | 168,679 | |
| Cash at bank and in hand | | 252,648 | | 316,372 | |
| | | 437,568 | | 485,051 | |
| **Creditors: amounts falling due within one year** | **19** | (231,810) | | (227,300) | |
| Net current assets | | | 205,758 | | 257,751 |
| **Total assets less current liabilities** | | | 12,318,425 | | 12,437,326 |
| **Income funds** | | | | | |
| Restricted funds | | | 156,130 | | 157,000 |
| Unrestricted funds | | | | | |
| General unrestricted funds | | 11,987,374 | | 12,105,405 | |
| Revaluation reserve | | 174,921 | | 174,921 | |
| | | | 12,162,295 | | 12,280,326 |
| | | | 12,318,425 | | 12,437,326 |

The financial statements were approved by the Trustees on 20 July 2022

**Trustee**

# THE HONOURABLE THE IRISH SOCIETY

Chartered Accountants Irwin Donaghey Stockman

## STATEMENT OF CASH FLOWS

*FOR THE YEAR ENDED 30 APRIL 2022*

| | Notes | £ | 2022<br>£ | £ | 2021<br>£ |
|---|---|---|---|---|---|
| **Cash flows from operating activities** | | | | | |
| Cash absorbed by operations | **24** | | (156,412) | | (106,391) |
| **Investing activities** | | | | | |
| Purchase of tangible fixed assets | | (2,691) | | (2,832) | |
| Purchase of investments | | (151,438) | | - | |
| Schroders fees deducted at source | | (10,006) | | (9,218) | |
| Investment income received | | 256,823 | | 270,275 | |
| **Net cash generated from investing activities** | | | 92,688 | | 258,225 |
| **Net cash used in financing activities** | | | - | | - |
| **Net (decrease)/increase in cash and cash equivalents** | | | (63,724) | | 151,834 |
| Cash and cash equivalents at beginning of year | | | 316,372 | | 164,538 |
| **Cash and cash equivalents at end of year** | | | 252,648 | | 316,372 |

## 1 Accounting policies

### Charity information

The Honourable The Irish Society is a public benefit entity as defined by FRS102.

### 1.1 Accounting convention

The financial statements have been prepared in accordance with the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016). The Society is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the Society. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, [modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value]. The principal accounting policies adopted are set out below.

### 1.2 Going concern

At the time of approving the accounts, the Trustees have a reasonable expectation that the Society has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the accounts.

In making this assessment the Trustees have considered the ongoing impact of the Covid-19 pandemic on the Society's cash flows and liquidity.

With respect to the next reporting period, the most significant areas of uncertainty that affect the carrying value of assets held by the Society are the levels of investment return and the performance of investment markets (see the Risk Management and Financial Review sections of the Trustees' report for more information).

### 1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in notes 3 and 8 to the financial statements.

### 1.4 Incoming resources

All income is recognised once:

- the charity has entitlement to the income;
- it is probable that the income will be received; and
- the amount of income receivable can be measured reliably.

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, VAT and other sales related taxes.

**1 Accounting policies** **(Continued)**

**1.5 Resources expended**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the Society to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses including support costs and governance costs are allocated or apportioned to the applicable expenditure headings.

Irrecoverable VAT is charged against the expenditure heading for which it was incurred.

The costs of generating funds consists solely of investment management fees.

Costs of charitable activities include grants made, governance costs and an apportionment of support costs as shown in Note 8.

Support costs have been allocated between governance costs and other support costs. Support costs include office and staff costs and have been allocated to the activity cost category or on a basis consistent with the use of resources – e.g. staff costs by the time spent, and other costs by their usage.

Governance costs comprise all costs involving the public accountability of the Society and its compliance with regulation and good practice. Governance costs include the governance arrangements which relate to the general running of the charity as opposed to the direct management functions in generating funds, service delivery, project work and grant making. These costs include such items as external legal advice, Trustees' expenses are associated with visits to Northern Ireland.

The allocation of support and governance costs is analysed in Note 11.

**1.6 Tangible fixed assets**

The Society's properties were valued in the prior financial year by O'Connor Kennedy Turtle, Chartered Surveyors, providing a market value as at 30 April 2021, in line with the Society's intentions of carrying out a formal valuation of its properties every five years in accordance with FRS 102.

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

| | |
|---|---|
| Leasehold land and buildings | Straight line over 50 years |
| Motor vehicles and boats | 25% straight line |
| Furniture and office equipment | 20% straight line |

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

Other properties occupied by the Society are not treated as investment properties. These are depreciated on a straight line basis over fifty years. They are similarly valued at least once in every five years and included in the above report.

1 Accounting policies (Continued)

**1.7 Investment properties**

Investment property, which is property held to earn rentals and/or for capital appreciation, is measured using the fair value model and stated at its fair value at the reporting end date. The surplus or deficit on revaluation is recognised in net income/(expenditure) for the year. No depreciation is provided on investment properties, in accordance with accounting standards. The majority of the investment properties which are generating rental income are valued by reference to yield. Those which are not generating rental income have been valued at the Trustees' best estimates.

**1.8 Fixed asset investments**

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

The Society does not acquire put options, derivatives or other complex financial instruments.

The main form of financial risk faced by the Society is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

**Realised gains and losses**

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

**1.9 Impairment of fixed assets**

At each reporting end date, the Society reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in income/(expenditure) for the year, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately, unless the relevant asset is carried in at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

**1 Accounting policies** **(Continued)**

**1.10 Cash and cash equivalents**

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

**1.11 Financial instruments**

The Society has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Society's balance sheet when the Society becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

***Basic financial assets***

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

***Basic financial liabilities***

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

***Derecognition of financial liabilities***

Financial liabilities are derecognised when the Society's contractual obligations expire or are discharged or cancelled.

**1.12 Taxation**

The Society is not liable to tax on capital gains, rent, investment income and certain other income.

**1.13 Employee benefits**

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the Society is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

## 2 Critical accounting estimates and judgements

In the application of the Society's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

### Critical judgements

**Valuation of investment properties**
Investment properties were revalued as at 30 April 2021. It is the Society's policy to obtain external valuations every 5 years.

## 3 Donations and grants

| | Unrestricted funds | Restricted funds | Total | Total |
|---|---|---|---|---|
| | 2022 | 2022 | 2022 | 2021 |
| | £ | £ | £ | £ |
| Donations and grants | 30,000 | 40,000 | 70,000 | 95,000 |
| **For the year ended 30 April 2021** | 25,000 | 70,000 | | 95,000 |
| **Donations and gifts** | | | | |
| Livery company - Drapers | - | 20,000 | 20,000 | 20,000 |
| Livery company - Clothworkers | - | 20,000 | 20,000 | 20,000 |
| City of London | 30,000 | - | 30,000 | 25,000 |
| Drapers to NCS | - | - | - | 10,000 |
| Mercers to NCS | - | - | - | 6,500 |
| City of London to NCS | - | - | - | 11,000 |
| Other | - | - | - | 2,500 |
| | 30,000 | 40,000 | 70,000 | 95,000 |

## 4 Other trading activities

| | Unrestricted funds | Total |
|---|---|---|
| | **2022** | 2021 |
| | **£** | £ |
| Commercial property rent | 169,186 | 122,962 |
| Fishing, coarse, game and sporting | 151,133 | 161,616 |
| Other trading activities | 320,319 | 284,578 |

## 5 Investment income

| | Unrestricted funds | Total |
|---|---|---|
| | **2022** | 2021 |
| | **£** | £ |
| Dividends - equities | 256,823 | 270,275 |

## 6 Other income

| | Unrestricted funds | Total |
|---|---|---|
| | **2022** | 2021 |
| | **£** | £ |
| Other income | 1,683 | 4,375 |

## 7 Managing funds

| | Unrestricted funds | Total |
|---|---|---|
| | **2022** | 2021 |
| | **£** | £ |
| Investment management fees | 19,165 | 33,913 |
| | 19,165 | 33,913 |

## 8 Charitable activities

| | Education | Community Development | Environmental Protection & Improvement | Total 2022 | Total 2021 |
|---|---|---|---|---|---|
| | £ | £ | £ | £ | £ |
| Grant funding of activities (see note 9) | 103,686 | 113,396 | 14,980 | 232,062 | 202,048 |
| Share of support costs (see note 11) | 57,473 | 57,471 | 172,413 | 287,357 | 326,971 |
| Share of governance costs (see note 11) | 7,386 | 7,387 | 22,162 | 36,935 | 43,084 |
| | 168,544 | 178,254 | 209,555 | 556,355 | 572,104 |
| **Analysis by fund** | | | | | |
| Unrestricted funds | 155,496 | 150,434 | 209,555 | 515,485 | |
| Restricted funds | 13,050 | 27,820 | - | 40,870 | |
| | 168,546 | 178,254 | 209,555 | 556,355 | |
| **For the year ended 30 April 2021** | | | | | |
| Unrestricted funds | 181,406 | 118,167 | 232,531 | | 532,104 |
| Restricted funds | 18,550 | 20,700 | 750 | | 40,000 |
| | 199,956 | 138,867 | 233,281 | | 572,104 |

## 9 Grants payable

| | Education | Community Development | Environmental Protection & Improvement | Total 2022 | Total 2021 |
|---|---|---|---|---|---|
| | 2022 | 2022 | 2022 | | |
| | £ | £ | £ | £ | £ |
| Grants to institutions: | | | | | |
| Advisory Committee | 23,158 | 38,291 | 2,100 | 63,549 | 55,864 |
| Clothworkers | 6,330 | 13,170 | - | 19,500 | 20,000 |
| Drapers | 5,350 | 14,650 | - | 20,000 | 19,650 |
| London budget | 46,098 | 47,285 | 12,880 | 106,263 | 65,687 |
| To NCS | 22,500 | - | - | 22,500 | 40,000 |
| | 103,436 | 113,396 | 14,980 | 231,812 | 201,198 |
| Grants to individuals | 250 | - | - | 250 | 850 |
| | 103,686 | 113,396 | 14,980 | 232,062 | 202,048 |

The Society makes grants for assistance in line with its aims of promoting the welfare of County Londonderry and adjoining areas in Northern Ireland. Grants are made on a cross-community basis to local organisations and individuals for deserving causes and to local primary, secondary and tertiary educational establishments. Details of some of the London grants that the Society paid out during the year can be seen in the Trustees' Report (pages 4-6). Full details of all Advisory Committee, Drapers' and Clothworkers' grants can be found on the Society's website. Grants payable are payments made in furtherance of the charitable objectives of the Society.

## 10 Trustees

None of the Trustees (or any persons connected with them) received any remuneration or benefits from the Society during the year. Expense claims totalling **£1,575** (2021: none due to pandemic) were reimbursed by the Society for travel and subsistence on behalf of **five** trustees.

## 11 Support costs

| | Support costs | Governance costs | 2022 | 2021 |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| Staff costs | 181,620 | 36,794 | 218,414 | 218,501 |
| Depreciation | 19,673 | - | 19,673 | 19,295 |
| Rent, rates, insurance & utilities | 17,938 | - | 17,938 | 17,679 |
| Repairs & maintenance | 9,105 | - | 9,105 | 5,064 |
| Advertising, PR, & printing | 293 | - | 293 | 750 |
| Telephone | 2,617 | - | 2,617 | 1,998 |
| Computer & website costs | 947 | - | 947 | 5,909 |
| Motor & travel | 19,006 | - | 19,006 | 12,275 |
| Legal & professional (NI property) | 30,594 | - | 30,594 | 77,048 |
| Audit & accountancy | 1,884 | - | 1,884 | 1,884 |
| General (office sundries, stationery, subscriptions) | 3,680 | - | 3,680 | 2,931 |
| Audit fees | - | 2,400 | 2,400 | 2,400 |
| Accountancy | - | 1,600 | 1,600 | 1,600 |
| Legal fees (non-property) | - | (3,859) | (3,859) | 2,720 |
| | 287,357 | 36,935 | 324,292 | 370,054 |
| Analysed between | | | | |
| Charitable activities | 287,357 | 36,935 | 324,292 | 370,054 |

Governance costs includes payments to the auditors of **£2,400 (2021 - £2,400)** for audit fees, and additional accounts preparation work of **£1,600 (2021 - £1,600).**

## 12 Employees

**Number of employees**

The average monthly number of full time equivalent employees during the year was:

| | 2022 Number | 2021 Number |
|---|---|---|
| Direct charitable activities | 4 | 4 |
| Administration | 2 | 2 |
| | 6 | 6 |

| **Employment costs** | 2022 £ | 2,021 £ |
|---|---|---|
| Wages and salaries | 171,200 | 169,562 |
| Social security costs | 17,292 | 17,113 |
| Other pension costs | 29,922 | 31,826 |
| | 218,414 | 218,501 |

No member of the Court received any remuneration.

The number of employees who received total employee benefits (excluding employer pension costs) of more than £60,000 is as follows:

| | 2022 Number | 2,021 Number |
|---|---|---|
| £60,001-£70,000 | 1 | 1 |

## 13 Net gains/(losses) on investments

| | Unrestricted funds | Total |
|---|---|---|
| | 2022 £ | 2021 £ |
| Net unrealised gains/(losses) on investments | (192,206) | 994,358 |
| Revaluation of investment properties | - | 545,494 |
| | (192,206) | 1,539,852 |

## 14 Tangible fixed assets

| | Leasehold land and buildings | Motor vehicles and boats | Furniture and office equipment | Total |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| **Cost or valuation** | | | | |
| At 1 May 2021 | 780,000 | 52,791 | 20,681 | 853,472 |
| Additions | - | 1,792 | 899 | 2,691 |
| At 30 April 2022 | 780,000 | 54,583 | 21,580 | 856,163 |
| **Depreciation and impairment** | | | | |
| At 1 May 2021 | 69,769 | 40,957 | 18,247 | 128,973 |
| Depreciation charged in the year | 15,600 | 2,869 | 1,204 | 19,673 |
| At 30 April 2022 | 85,369 | 43,826 | 19,451 | 148,646 |
| **Carrying amount** | | | | |
| At 30 April 2022 | 694,631 | 10,757 | 2,129 | 707,517 |
| At 30 April 2021 | 710,233 | 11,834 | 2,434 | 724,501 |

Land and buildings with a carrying amount of £780,000 were revalued at 30 April 2021 by O'Connor Kennedy Turtle, independent valuers not connected with the Society on the basis of market value. The valuation conforms to International Valuation Standards and was based on recent market transactions on arm's length terms for similar properties.

The revaluation surplus is disclosed at the bottom of the Statement of Financial Activities regarding 2021.

The Society owns paintings, silver and other fixed assets in Northern Ireland, which are included at a £Nil book value but were valued in June 2011 by Danny Kinahan Fine Art & Antiques at £272,630. The Society also owns some silver items, five badges of office, a 17th Century (copy) Royal Charter and a modern Charter, all normally held in London and together valued at £100,000. No further valuations have been obtained since June 2011.

## 15 Investment property

| | 2022 |
|---|---|
| | £ |
| **Fair value** | |
| At 1 May 2021 and 30 April 2022 | 3,802,000 |

Investment property comprises a number of different commercial properties. The fair value of the investment properties has been arrived at on the basis of a valuation carried out at 30 April 2021 by O'Connor Kennedy Turtle Chartered Surveyors, who are not connected with the Society. The valuation was made on an open market value basis by reference to market evidence of transaction prices for similar properties. It is the accounting policy of the company to obtain independent valuations for investment properties every five years.

## 16 Fixed asset investments

| | Listed investments | Other investments | Cash held by investment manager | Total |
|---|---|---|---|---|
| | £ | £ | | £ |
| **Cost or valuation** | | | | |
| At 1 May 2021 | 7,630,286 | 2 | 22,786 | 7,653,074 |
| Additions | 2,197,369 | - | - | 2,197,369 |
| Movement in cash held | - | - | (19,212) | (19,212) |
| Investment losses - unrealised | (189,212) | - | - | (189,212) |
| Barings investment management costs | (9,158) | - | - | (9,158) |
| Disposals | (2,029,711) | - | - | (2,029,711) |
| At 30 April 2022 | 7,599,574 | 2 | 3,574 | 7,603,150 |
| **Carrying amount** | | | | |
| At 30 April 2022 | 7,599,574 | 2 | 3,574 | 7,603,150 |
| At 30 April 2021 | 7,630,286 | 2 | 22,786 | 7,653,074 |

## 17 Financial instruments

| | 2022 | 2021 |
|---|---|---|
| | £ | £ |
| **Carrying amount of financial assets** | | |
| Instruments measured at fair value through profit or loss | 7,599,574 | 7,630,286 |

## 18 Debtors

| | 2022 | 2021 |
|---|---|---|
| **Amounts falling due within one year:** | £ | £ |
| Trade debtors | 113,247 | 120,235 |
| Other debtors | 64,450 | 44,234 |
| Prepayments and accrued income | 7,223 | 4,210 |
| | 184,920 | 168,679 |

## 19 Creditors: amounts falling due within one year

| | 2022 | 2021 |
|---|---|---|
| | £ | £ |
| Other taxation and social security | 38,791 | 24,639 |
| Trade creditors | 5,191 | 21,162 |
| Other creditors | 166,380 | 156,737 |
| Accruals and deferred income | 21,448 | 24,762 |
| | 231,810 | 227,300 |

## 20 Retirement benefit schemes

The Society operates a Pension Scheme providing benefits based on final pensionable pay for all of its employees.

The assets of the Scheme are held separately from those of the Society in the City of London Corporation Pension Fund.

The Scheme is a funded, defined benefit scheme. However it is also classified as a multi-employer scheme under FRS 102. Although the employer's contributions are affected by a surplus or deficit in the scheme, the employer is unable to identify its share of the underlying assets and liabilities in the scheme on a consistent and reasonable basis.

As a result, the Scheme is accounted for as if it were a defined contribution scheme, as required by FRS 102. The employer's contributions made to the Scheme in the period were £29,922 (2021: £31,826), with an employer's contribution rate of 17.5% of pensionable pay. Employee's contributions were between 5.5% and 12.5% of pensionable pay.

| Valuation date | 31 March 2019 | 31 March 2016 |
|---|---|---|
| Value of assets (smoothed) | £1,062,901,000 | £796,301,000 |
| Value of liabilities | £1,175,715,000 | £945,576,000 |
| Funding level of accrued benefits | 90% | 84% |
| Investment return on future contributions per annum | 9.8% | 5.7% |
| Investment return on accumulated assets per annum | 9.8% | 5.7% |
| Pension increases per annum | 2.6% | 2.4% |
| Rate of price inflation | 2.6% | 2.4% |

21 **Analysis of net assets between funds**

| | Unrestricted 2022 | Restricted 2022 | Total 2022 | Unrestricted 2021 | Restricted 2021 | Total 2021 |
|---|---|---|---|---|---|---|
| | £ | £ | £ | £ | £ | £ |
| Fund balances at 30 April 2022 are represented by: | | | | | | |
| Tangible assets | 707,517 | - | 707,517 | 724,501 | - | 724,501 |
| Investment properties | 3,802,000 | - | 3,802,000 | 3,802,000 | - | 3,802,000 |
| Investments | 7,603,150 | - | 7,603,150 | 7,653,074 | - | 7,653,074 |
| Current assets/ (liabilities) | 205,758 | - | 205,758 | 257,751 | - | 257,751 |
| | 12,318,425 | - | 12,318,425 | 12,437,326 | - | 12,437,326 |

## 22 Operating lease commitments

At the reporting end date the Society had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

| | 2022 £ | 2021 £ |
|---|---|---|
| Within one year | 550 | 550 |

This refers to the monthly Licence to Occupy arrangement with the City of London Corporation in respect of the Society's office at Guildhall, London.

## 23 Related party transactions

**Remuneration of key management personnel**

The remuneration of key management personnel is as follows.

| | 2022 £ | 2021 £ |
|---|---|---|
| Aggregate compensation | 82,236 | 80,972 |

The Society considers its key management personnel to comprise the Trustees and the Society's Secretary & Representative (Northern Ireland).

A former Irish Society trustee was Chairman (not remunerated) of the Advisory Board of Barings' Targeted Return Fund, one of the investment vehicles used by the Society up until August 2021.

No guarantees have been given or received.

## 24 Cash generated from operations

| | 2022 £ | 2021 £ |
|---|---|---|
| (Deficit)/surpus for the year | (118,901) | 1,588,063 |
| Adjustments for: | | |
| Investment income recognised in statement of financial activities | (234,664) | (236,362) |
| Fair value gains and losses on investment properties | - | (545,494) |
| Fair value gains and losses on investments | 189,212 | (994,358) |
| Depreciation and impairment of tangible fixed assets | 19,673 | 19,295 |
| Movements in working capital: | | |
| (Increase) in debtors | (16,242) | (14,471) |
| Increase in creditors | 4,510 | 76,936 |
| **Cash absorbed by operations** | (156,412) | (106,391) |

The Honourable The Irish Society

**Our Mission Statement:**

***'To work in partnership for the economic and social benefit of Northern Ireland'***

**For more information about how to join us in helping communities in Northern Ireland, contact us at:**

**office@irishsociety.co.uk**

**or visit our website at:**

**www.honourableirishsociety.org.uk/**

**THE HONOURABLE THE IRISH SOCIETY**

England & Wales - Charity number 1150776

# Accounts

Charity No. 1150776 (England and Wales)

Chartered Accountants Irwin Donaghey Stockman

# THE HONOURABLE THE IRISH SOCIETY

## ANNUAL REPORT AND FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 30 APRIL 2021

Irwin Donaghey Stockman LLP
23/25 Queen Street
COLERAINE
Co Londonderry
BT52 1BG

CHARTERED ACCOUNTANTS IRELAND

# THE HONOURABLE THE IRISH SOCIETY

Chartered Accountants Irwin Donaghey Stockman

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# THE HONOURABLE THE IRISH SOCIETY

## CHARITY INFORMATION

Chartered Accountants Irwin Donaghey Stockman

| | |
|---|---|
| **Charity registration number** | 1150776 |
| **Registered office** | PO Box 270<br>Guildhall<br>LONDON<br>EC2P 2EJ |
| **Auditor** | Irwin Donaghey Stockman LLP<br>23/25 Queen Street<br>COLERAINE<br>Co Londonderry<br>BT52 1BG |
| **Bankers** | Danske Bank<br>Corporate Banking Centre<br>PO Box 183<br>BELFAST<br>BT1 6JS |
| **Investment managers** | Baring Fund Managers Ltd<br>20 Old Bailey<br>LONDON<br>EC4M 7BF<br><br>Cazenove Capital Management<br>1 London Wall Place<br>LONDON<br>EC2Y 5AU |
| **Solicitors** | Elliott Duffy Garrett<br>Royston House<br>34 Upper Queen Street<br>BELFAST<br>BT1 6FD |

# THE HONOURABLE THE IRISH SOCIETY

## CHARITY INFORMATION

Chartered Accountants Irwin Donaghey Stockman

**List of Trustees 2020-21**

| | | |
|---|---|---|
| **Governor:** | Alderman Sir Andrew Charles Parmley, MusM Hon FGS | (to 04/03/2021) |
| | The Rt Hon. The Lord Mayor, Alderman William Anthony Bowater Russell | (from 04/03/2021) |
| **Deputy Governor:** | Peter Gerard Dunphy, Deputy | (to 04/03/2021) |
| | Wendy Hyde, Deputy | (from 04/03/2021) |
| **Aldermen:** | Nicholas Stephen Leland Lyons | |
| | Gregory Jones, QC | |
| **Commoners:** | John David Absalom, Deputy | |
| | Simon D'Olier Duckworth, OBE, DL | |
| | Sheriff Christopher Michael Hayward | |
| | Vivienne Littlechild, MBE, JP | |
| | Charles Edward Lord, OBE, JP, Deputy | (from 04/03/2021) |
| | Hugh Fenton Morris, Deputy | |
| | James Henry George Pollard, Deputy | |
| | Richard David Regan, OBE, Deputy | (to 04/03/2021) |
| | Ian Christopher Norman Seaton, MBE | |
| | Jeremy Lewis Simons, OBE | |
| | Philip Woodhouse, Deputy | |
| **Society's Representative (Northern Ireland) & Secretary:** | Edward Montgomery, MBE DL | |
| **Assistant Secretary:** | Candya L Farmer | |

## TRUSTEES' REPORT

## *FOR THE YEAR ENDED 30 APRIL 2021*

The Trustees are pleased to present their annual report and financial statements for the year ended 30 April 2021.

The accounts have been prepared in accordance with the accounting policies set out in Note 1 to the accounts, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)".

### WHO ARE WE?

Established through Royal Charters granted by King James I in 1613 and King Charles II in 1662, The Honourable The Irish Society has since then maintained interests and managed its ownership of land, buildings and rivers for the benefit of the community of County Londonderry and adjoining areas. A modernising Supplemental Charter was granted to the Irish Society on 20 December 2012. The Society is registered as a charity with the Charity Commission for England and Wales - Registration number 1150776.

### OBJECTIVES

From its early association with the Plantation of Ulster, the Irish Society has evolved into a self-funding, cross-community charitable organisation; a succession of Governors and Deputy Governors have been committed to ensuring that the Society continues to make a positive impact by remaining contemporary, credible and relevant in everything that it does; and its trustees have agreed a Mission Statement to work in partnership "for the economic and social benefit of Northern Ireland".

The Society's objects are defined in the 2012 Supplemental Charter as follows: The promotion of any exclusively charitable purpose for the benefit of the community of the County of Londonderry and neighbouring areas including those within the following descriptions:

- the advancement of education;
- the advancement of citizenship or community development;
- the advancement of the arts, culture, heritage or science;
- the advancement of amateur sport;
- the advancement of environmental protection or improvement; and/or
- the relief of those in need by reason of youth, age, ill-health, disability, financial hardship or other disadvantage.

### ACTIVITIES, ACHIEVEMENTS & PERFORMANCE

Usually committed to maintaining a presence on the ground in Northern Ireland, trustees were unable to undertake any formal visits during the Coronavirus pandemic, throughout the year in question. This prevented direct engagement with grant recipients; the education sector; other prominent people from the local community and its civic leadership, but – like many organisations – staff and trustees mastered the art of virtual meetings and adjusted working practices to ensure business continued as close to normal as possible. In response to changing circumstances throughout the year:

- The Secretary worked almost entirely from home, while his PA kept the Coleraine office open by working there in isolation. When Guildhall in London closed, the Assistant Secretary arranged for all post to be re-directed to Cutts House and established a home-based working pattern.
- A review of any income that might be affected by the pandemic was completed in April 2020 to ensure that, as a responsible landlord, the Society could offer full or partial rent 'holidays' to leaseholders of commercial property when businesses were forced to close. However, the trustees were also keen to maintain almost the same level of charitable activities and grant giving to the local community that had been originally budgeted for.
- Fisheries staff were able to continue working more or less as normal from mid-May 2020 as angling was able to re-open after only a short lockdown period and much of their work is necessarily outdoors.
- The Society's Court and its various sub-committees rapidly started to work remotely by video link and succeeded in maintaining the usual level of management and oversight of the Society's activities in Northern Ireland.

- The Local Advisory Committee held meetings via video link and continued to oversee the administration of the Society's small grants programme and 91 one-off community grants totalling **£96,364** were made (2020: £93,290). The average grant size was **£1,060** (2020: £865).
- In addition, the Irish Society continued giving its usual financial support to five primary schools; numerous secondary schools - including those benefitting from the IT/Support Fund (see below) and a contribution to the annual Business Education Partnership Careers Convention; one special needs school and Ulster University, totalling **£23,567**.
- Due to the effect of Covid-19 limiting community project activity, a lower number of larger grants to good causes was made totalling **£25,233** - including £5,000 to Ashes to Gold, an armed services mental health charity in Coleraine.
- Annual funding of **£40,000** was granted to Co-operation Ireland to support the NI National Citizen Service programme in the North West. In 2020-21 the Coronavirus pandemic prevented the normal running of this government-backed programme, which seeks to develop life skills in young people aged 15-17 and promote social cohesion; social mobility; and civic engagement. But, having worked closely with delivery body Co-operation Ireland on this major charitable youth initiative, the Society re-channelled resources (including contributions from the **City of London Corporation** and two of the Livery Companies, **The Mercers** and **The Drapers**) to fund a youth leadership and development project run by Co-operation Ireland and St Columb's Park House youth workers, which engaged with over 40 young people in Londonderry and Coleraine. Personal development, social projects and engagement with their communities were central themes.
- The Society assisted Mansion House Scholarship trustees in the City of London in appointing a student from Northern Ireland for the first time to one of their prestigious scholarships. Megan Edwards, a 24 year old law student from Strabane, was awarded a full scholarship worth £10,000 which has helped her complete her legal studies at Northumbria University prior to seeking further experience at a Chambers in London later in 2021.
- In March 2021, the Local Advisory Committee supported the Society's proposal to 'ring fence' **£32,987** for local secondary schools to help fund their delivery of remote learning (eg, the purchase of tablets and i-pads for pupils who were home schooling) or towards counselling for pupils returning to the classroom. Funds from the underspent larger grants budget and **£16,100** from the LAC budget were switched to achieve this. Seventeen out of 38 schools in the North West were able to apply and benefit from this support, which came at a timely moment in the spring of 2021.
- Also in March 2021 the Society's fishery management team staged a virtual Festival of Game Fishing – taking advantage of the pandemic situation to adapt the usual bi-annual local conference attended by 100 anglers to reach a worldwide audience of over 600 and broadcasting over an eight hour period with a series of presentations, Q&A sessions, demonstrations, and discussions to promote fishing opportunities on the Lower Bann and its tributaries.
- The event also provided an opportunity to launch the Irish Society's new website and its fishing tourism agency partner, Cressabelle.

**Grants**

Applications for **small grants** to local 'not-for-profit' organisations can be made through a simple process – by e-mail, post or via the Society's website (www.honourableirishsociety.org.uk). All applications are scrutinised by a Local Advisory Committee (LAC) which has existed since 1974 and is comprised of cross-party elected representatives drawn from three local authorities in County Londonderry established in April 2015: Causeway Coast & Glens Borough Council; Derry City & Strabane District Council; and Mid Ulster District Council. Grants are equally available to both main sections of Northern Ireland's divided community, Roman Catholic and Protestant, on a wholly impartial basis – which reflects the broad makeup of the community in which the Society works. Indeed, many of the grants made go to groups in which Catholics and Protestants work together in harmony promoting peace and reconciliation.

The Society has been able to achieve a much greater charitable impact in Northern Ireland in recent years, thanks to the active support of City Livery Companies and the City of London Corporation. The trustees again acknowledge with much gratitude donations from:

- **The Mercers' Company** – a final year donation of **£6,500** towards the NI National Citizen Service programme.
- **The Drapers' Company** - an annual donation to the Society's small grants programme of **£20,000** per annum, plus a further **£10,000** for the NI National Citizen Service.
- **The Clothworkers' Foundation** – a continuing donation of **£20,000** to the Northern Ireland Fund, enabling the Society to reach out to other parts of NI beyond the North West.
- **The City of London Corporation** - again boosting the Society's general grant-making ability by **£25,000** - offsetting reduced income from capital tied up in a potential property development site in Coleraine. In 2020-21 this largely enabled the secondary schools support fund to be created, as mentioned above.

**Schools & Education Support**

**Primary Schools (Ballougry, Culmore, D H Christie Memorial, The Irish Society's and Millburn):** Although all have been in the state controlled sector for many years, the Society's trustees continue to maintain a special link and level of financial support for five primary schools in County Londonderry that were originally founded by the Irish Society for both Protestant and Catholic children between the ages of 4 and 11. As in previous years, the Society contributed to annual prize-giving for pupils completing their primary education. And a donation was also made to each school at Christmas time towards festivities. Despite it being a difficult year for schools with many enforced closure periods, the Society worked with the teachers and parents to support virtual/alternative events and activities, even though visits by the trustees were not possible. Across the five schools, over 1,300 children benefit every year from the Society's support.

Due to the pandemic, the Irish Society was this year unable to fund Hatchery in the Classroom – an environmental project for primary schools along the Lower Bann corridor. The **£8,000** usually earmarked for this was switched to the support fund for secondary schools mentioned above.

**Secondary Schools:** During the year, the Irish Society partnered with Enterprise Causeway to deliver a Careers Convention in March 2021 with **£5,000**, enabling the event to take place to the benefit of well over 1,000 children from schools all over the North West. Without the Society's funding, this event, which moved online this year due to the pandemic, would not have happened.

The Society also continued to support the Star Programme linking **Lisneal College** and **St Mary's College** in Londonderry. Again due to the pandemic, this year the sum of **£5,000** was used by both to purchase IT equipment and specialist art therapy to enable deprived children to continue home learning and prepare for a return to school in the spring of 2021. No visit by the trustees was possible, but both Colleges have made clear how useful this financial support is to them.

The Society's annual support for **Sandelford School** in Coleraine, which caters for children from ages 3 to 19 with a wide range of special needs, was doubled this year to **£5,000** and used towards the completion of a new outdoor play area for the children. Again, no trustee visit was possible due to pandemic restrictions, but the head teacher has confirmed how significant the Society's continuing support is for the School.

**Lower Bann River Environmental & Fisheries Management**

The Society continued to manage the 38 mile long Lower Bann river and its fisheries this year. The voluntary sub-committee (Bann Division) maintained its overwatch of the fishing and environmental protection operations, as it has done for many years.

One full-time and three part-time members of staff were employed during the year to perform river bailiffing, management and protection duties for the Society - which involves regular patrolling of the river and its tributaries to enforce the government's Catch & Release policy and prevent / deter general poaching, pollution and predation of the fisheries. This expenditure of over **£100,000** per annum is necessary given the extent and importance of the Lower Bann fisheries to the whole NI economy and environment and as a resource for recreation, tourism and education.

The income from fishing again rose in 2020-21 due to hard work by the staff in promoting the opportunities and an excellent run of salmon in the main river (over 19,000 fish were counted, making it by some margin the best in the history of the modern counting system on the Lower Bann). Game fishing in Northern Ireland was able to commence from mid-May 2020 more or less as normal, despite the otherwise strict lockdown regulations, subject to suitable precautions and risk assessments. Ironically, the pandemic acted as a positive driver, as local participation in fishing increased, undoubtedly due to the curtailment of other leisure activities and the ban on international travel. The absence of tourist anglers was thus more than offset by local newcomers to the sport.

A number of river bed leases and licences were renewed during the year, and two new ones added, which will help give more diversification to Bann income into the future.

A very dry start to the season gave some concern for salmon smolt survival, but later on the usual wetter summer weather ensured plenty of good fishing, with just over 600 salmon caught and released on the premier Carnroe beat.

In contrast, all coarse fishing competitions were suspended for the duration and none of the usual Bann events were able to take place in the autumn.

As noted earlier, the year concluded with a virtual Festival of Game Fishing on 12th March, which proved hugely successful and drew considerable interest from GB and further afield, hopefully laying the ground for increased tourist fishing once more normal times return. The Festival was only possible due to the hard work of a steering group comprised of Irish Society trustees, local fishing experts and other technical and professional helpers, most of whom gave freely of their time to help make the event a success. The trustees would particularly like to thank The Fishmongers Company for their key sponsorship and other assistance.

**Commercial Property estate**

A summary of activity in the Society's commercial property portfolio during the year is as follows:

- Work commenced in June 2020 on an outline planning application for the smaller of the two development sites at Castleroe, near Coleraine. The aim is to generate funds by marketing and selling the smaller site with outline planning permission for over 30 residential apartments, in order to facilitate preliminary infrastructure development on the larger site for a mixed-use development. The trustees appointed local architects, G M Design, to carry out this work, which was largely complete by the end of April 2021. The market for residential property in Coleraine remains strong.
- Sadly, due to the pandemic, a number of the Society's smaller retail tenants were forced by government rules for non-essential businesses to close for much of the period, and it was decided to offer them a full rent 'holiday', and in another case a 50% rent reduction. All of these tenants have since re-commenced trading, since the end of April 2021, but there has obviously been a detrimental impact on rental income from this - thankfully a modest one. The Society's key tenant Primark in Londonderry was badly affected by the enforced closure, but remained in touch with the Secretary throughout the period and continued to pay its rent in full.
- The refurbishment of Victoria Hall at Culmore was almost fully completed during the year, subject to some final issues such as the finishing of the lift and tarmacking of the exterior car park. This has successfully transformed a previously derelict building into a much-needed facility for the local community and much credit is due to Culmore Community Partnership, the Society's tenant, for gathering a fund of almost £500,000 together to achieve this. The Society's contribution was just over **£60,000**.
- Negotiations on re-leasing a trout farm in Co. Tyrone continued throughout the year. While the former sub-tenant has been on site and trading since November, various difficulties with the outgoing tenant over statutory consents, dilapidations and disputes over equipment ownership have delayed the final agreement and signing of the lease.
- The Coleraine fast food shop has been re-let during the year and fully refurbished by the new tenant to a much higher standard than previously. The tenant commenced trading in the spring of 2021.
- A full quinquennial valuation of all the Society's commercial and non-commercial properties in Northern Ireland was undertaken by O'Connor Kennedy Turtle in spring 2021 and completed by the year end. While some town centre valuations have dropped since 2016, this has been offset by an increase in value of the development sites at Castleroe, especially the former Spanboard site.
- Several gun clubs have renewed their shooting rights licences and periodic uplifts to some of the commercial wind farm licences have occurred.

## STRUCTURE, MANAGEMENT & GOVERNANCE

The Society is administered by a Court of 15 trustees, which meets at least four times a year. All are Aldermen or Common Councilmen of the City of London Corporation and elected onto the Court of the Irish Society by fellow members of the Court of Aldermen and Common Council. Trustees for the period covered by the Report & Financial Statements are listed under Charity Information. The Society requires all trustees to commit to a written Code of Conduct governing their behaviour; all new trustees are given an introduction to the work of the Society and provided with copies of recent accounts and minutes of meetings; and are encouraged to participate in at least one formal visit to Northern Ireland as early as possible following appointment, to see the operations of the Society and the difference its grants make to the community. The Charity's Secretary is based in Coleraine, Northern Ireland, and the Assistant Secretary at Guildhall in London.

The trustees confirm that they are aware of the Guidance promulgated by the Charity Commission under the Charities Act 2011 in relation to Public Benefit, recognise their obligation to have regard thereto and – from the feedback received from grant recipients – are confident that their activities are delivering Public Benefit.

The Irish Society's Court has appointed a Finance Committee (chaired by the Deputy Governor) to consider and monitor its financial position and recommend the approval of the annual financial statements to its Court members. Committee members during the accounting year were as follows: Peter Dunphy (Chairman to 14/04/2021 and Deputy Chairman thereafter); Wendy Hyde (Deputy Chairman to 14/04/2021 and Chairman thereafter); Henry Pollard, Deputy; Simon Duckworth, OBE, DL; Nicholas Lyons; Ian Seaton, MBE; and Philip Woodhouse. Nick Bensted-Smith, JP has also been co-opted to the Finance Committee for investment matters.

## KEY MANAGEMENT PERSONNEL REMUNERATION

The board of trustees and the Secretary are the key management personnel in charge of directing, controlling, running and operating the Society on a day to day basis. All trustees give of their time freely and no trustee remuneration was paid in the year. Details of reimbursed expenses and related party transactions are usually disclosed in the notes to the accounts (see page 24), but there were none in 2020-21.

Trustees are required to disclose all relevant interests; register them with the Secretary; and, in accordance with the Society's policy, withdraw from discussion / decisions where a potential conflict of interest arises. The Assistant Secretary maintains a Register using information drawn from the City of London Corporation's declarations of interest.

The Secretary's salary is reviewed annually and, like that of other staff, normally increased in accordance with average earnings. The remuneration is also benchmarked with grant-making charities of a similar size and activity to ensure that the level set is fair and not out of line with that generally paid for similar roles.

## RISK MANAGEMENT

Trustees are mindful of the Society's Policy on Risk and elements of the Risk Register are reviewed at every Court meeting on a rolling basis to ensure that all relevant risks are given due consideration and the Register is updated in its entirety over a 12 month period. Full recognition has been paid to the effect of the Covid-19 pandemic and the measures to protect the staff and business of the charity that were outlined last year (including much use of home-working, holding remote meetings and reducing all but essential travel and visit expenditures) continued throughout this period too. Overall, the trustees consider that the assets of the Society will continue to be well diversified. The commitments that the Society has to honour by law are not significant.

## FINANCIAL REVIEW

It is the policy of the trustees to generate sufficient income to pay for the Society's charitable purposes and management each year, while maintaining the overall value of the Society's assets, so that it may continue to achieve its charitable objectives into the future. The trustees aim to spend increased resources each year on charitable activities based on budgeted income and expenditure, while at the same time maintaining sufficient reserves to meet any unexpected capital requirements.

The Society has a number of mainly commercial properties and property interests in Northern Ireland which it uses to generate income for grant-giving purposes in support of its activities. The property portfolio was professionally revalued in early 2021 with a total restated value of £3.8m (up from £3.2m in 2016).

The Society also has an investment portfolio managed on a discretionary basis by external fund managers – Barings Asset Management Limited and Cazenove Capital Management. There are no restrictions on the investments that the Society can make. The portfolios are monitored against industry benchmarks and a specific target. While the trustees consider the managers' performance to be satisfactory overall, in April 2021 Barings announced the closure of the investment fund used by the Society, necessitating a review which will be carried out in the ensuing year.

The Society's cash investments are deposited in the charities pooled fund operated by the City of London Corporation and managed externally on its behalf.

At 30 April 2021 free reserves amounted to £12,105,405 (2020: £10,547,342) - see Balance Sheet at page 15.

## REVIEW OF CHARITABLE ACTIVITIES IN THE YEAR

Net Incoming Resources in the year to 30 April 2021 were **£1,588,063** (2020: -£557,259). The increase was mainly due to more favourable investment conditions in the summer of 2020 as international markets bounced back from the initial shock of the Coronavirus pandemic; the 5-yearly commercial property portfolio revaluation also contributed to the higher figure.

Charitable expenditure amounted to £572,104 (2020: £580,810). Taking into account other unrealised gains/losses of £1,539,852 (2020: -£603,579) as set out on page 25, this left an overall surplus for the year of £1,684,644 (2020: deficit of £557,259).

## PLANS FOR FUTURE PERIODS

During the period, the Society has continued to keep tight control of its administration and other costs. As a result, despite the effects of the pandemic, the trustees were again able to allocate increased funds to the charitable budget during the year, and it is hoped this trend will continue into the future, based on the following strategies:

- The trustees believe that the Irish Society could achieve more if greater funds were available generally, and they continue to work with the London Livery Companies – particularly those with historic connections in County Londonderry. The longer term intention is to expand the number of Livery Companies engaged – not just with the purpose of increasing funding ability but by harnessing their networks and expertise.
- The Society will also seek to develop connections with philanthrophic individuals and organisations, including the Northern Irish diaspora that may consider the Society as a charitable vehicle for making donations into the Province for specific projects such as the NI National Citizen Service.
- Trustees will also continue to work with partner organisations such as Co-operation Ireland, Cavell Nurses Trust and Community Foundation NI where their objectives align with the Irish Society's strategy. They will also explore what other organisations might be engaged to further the Society's aims.

During the coming year, the trustees will be carrying out an exercise to appoint a new investment manager in place of Barings, as mentioned above. They will take the opportunity to review their overall investment policy at the same time, to ensure that a sustainable level of income is generated from the investments whilst maintaining their real value into the future.

The Society has a long term aim of restructuring / developing its property portfolio where possible to produce an increased income, especially by bringing the Castleroe sites to fruition. Resources will continue to be spent on managing the fishery assets and protecting the environment of the Lower Bann River and its tributaries in order to enable greater public use and enjoyment, while generating a surplus of income over expenditure - especially by developing external angling tourism, which has to date been very modest in NI. A tourist agent, Cressabelle, has been appointed and launched during the year and it is hoped will lead in due course to increased levels of tourist bookings for fishing and accommodation in the area.

## STATEMENT OF THE COURT'S RESPONSIBILITIES

The Court is responsible for preparing a trustees' annual report and financial statements in accordance with applicable law and Relevant Financial Reporting Framework. The Court is required to prepare financial statements for each year, which give a true and fair view of the state of affairs of the Society and of the incoming resources and application of resources of the Society for that period. In preparing those financial statements, the Court is required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Society will continue in business.

The Court is responsible for maintaining proper accounting records that disclose with reasonable accuracy at any time the financial position of the Society and to enable them to ensure that the financial statements comply with the Charities Act 2011 and the applicable Charities (Accounts and Reports) Regulations. It is also responsible for safeguarding the assets of the Society and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Court is responsible for the maintenance and integrity of the charity and financial information included on the charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements.

## TRUSTEES' REPORT (CONTINUED)

***FOR THE YEAR ENDED 30 APRIL 2021***

The Trustees' report was approved by the Court.

**Alderman Sir Andrew Charles Parmley, MusM Hon FGS**
Acting Governor

Dated: 21 July 2021

# THE HONOURABLE THE IRISH SOCIETY

Chartered Accountants Irwin Donaghey Stockman

## INDEPENDENT AUDITOR'S REPORT

## TO THE TRUSTEES OF THE HONOURABLE THE IRISH SOCIETY

### Opinion

We have audited the financial statements of The Honourable The Irish Society (the 'Society') for the year ended 30 April 2021 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 30 April 2021 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Society in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Society's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

### Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

**Responsibilities of Trustees**

As explained more fully in the Statement of the Court's Responsibilities, the court is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Society'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 Trustees either intend to cease operations, or have no realistic alternative but to do so.

**Auditor's responsibilities for the audit of the financial statements**

We have been appointed as auditors under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our 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 an auditor's report that includes our 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.

A further description of our responsibilities is available on the Financial Reporting Council's website at: https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

**Other matters**

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

This has been done in order for the financial statements to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

Chartered Accountants Irwin Donaghey Stockman

**Mr Ian H Donaghey MBE (Senior Statutory Auditor)**
**for and on behalf of Irwin Donaghey Stockman LLP**
**Statutory Auditor**
23/25 Queen Street
COLERAINE
Co Londonderry
BT52 1BG

21 July 2021

Irwin Donaghey Stockman LLP is eligible for appointment as auditor of the Society by virtue of its eligibility for appointment as auditor of a company under of section 1212 of the Companies Act 2006

# THE HONOURABLE THE IRISH SOCIETY

Chartered Accountants Irwin Donaghey Stockman

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

### *FOR THE YEAR ENDED 30 APRIL 2021*

| | Notes | Unrestricted funds 2021 £ | Restricted funds 2021 £ | Total 2021 £ | Total 2020 £ |
|---|---|---|---|---|---|
| **Income and endowments from:** | | | | | |
| Donations and grants | 3 | 25,000 | 70,000 | 95,000 | 82,500 |
| Other trading activities | 4 | 284,578 | - | 284,578 | 281,854 |
| Investment income | 5 | 270,275 | - | 270,275 | 297,598 |
| Other income | 6 | 4,375 | - | 4,375 | 3,270 |
| **Total income** | | 584,228 | 70,000 | 654,228 | 665,222 |
| **Expenditure on:** | | | | | |
| Managing funds | 7 | 33,913 | - | 33,913 | 38,092 |
| Charitable activities | 8 | 532,104 | 40,000 | 572,104 | 580,810 |
| **Total resources expended** | | 566,017 | 40,000 | 606,017 | 618,902 |
| **Trading surplus/(deficit)** | | 18,211 | 30,000 | 48,211 | 46,320 |
| Net unrealised gains/(losses) on investments | 13 | 1,539,852 | - | 1,539,852 | (603,579) |
| **Net incoming/(outgoing) resources** | | 1,558,063 | 30,000 | 1,588,063 | (557,259) |
| **Other recognised gains and losses** | | | | | |
| Revaluation of tangible fixed assets | | 96,581 | - | 96,581 | - |
| **Net movement in funds** | | 1,654,644 | 30,000 | 1,684,644 | (557,259) |
| Fund balances at 1 May 2020 | | 10,625,682 | 127,000 | 10,752,682 | 11,309,941 |
| **Fund balances at 30 April 2021** | | 12,280,326 | 157,000 | 12,437,326 | 10,752,682 |

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

# THE HONOURABLE THE IRISH SOCIETY

Chartered Accountants Irwin Donaghey Stockman

## BALANCE SHEET

### *AS AT 30 APRIL 2021*

| | Notes | £ | 2021 £ | £ | 2020 £ |
|---|---|---|---|---|---|
| **Fixed assets** | | | | | |
| Tangible assets | **14** | | 724,501 | | 644,384 |
| Investment properties | **15** | | 3,802,000 | | 3,256,506 |
| Investments | **16** | | 7,653,074 | | 6,683,410 |
| | | | 12,179,575 | | 10,584,300 |
| **Current assets** | | | | | |
| Debtors | **18** | 168,679 | | 154,208 | |
| Cash at bank and in hand | | 316,372 | | 164,538 | |
| | | 485,051 | | 318,746 | |
| **Creditors: amounts falling due within one year** | **19** | (227,300) | | (150,364) | |
| Net current assets | | | 257,751 | | 168,382 |
| **Total assets less current liabilities** | | | 12,437,326 | | 10,752,682 |
| **Income funds** | | | | | |
| Restricted funds | | | 157,000 | | 127,000 |
| Unrestricted funds | | | | | |
| General unrestricted funds | | 12,105,405 | | 10,547,342 | |
| Revaluation reserve | | 174,921 | | 78,340 | |
| | | | 12,280,326 | | 10,625,682 |
| | | | 12,437,326 | | 10,752,682 |

The financial statements were approved by the Trustees on 21 July 2021

**Trustee**

# THE HONOURABLE THE IRISH SOCIETY

Chartered Accountants Irwin Donaghey Stockman

## STATEMENT OF CASH FLOWS

### *FOR THE YEAR ENDED 30 APRIL 2021*

| | Notes | £ | 2021<br>£ | £ | 2020<br>£ |
|---|---|---|---|---|---|
| **Cash flows from operating activities** | | | | | |
| Cash absorbed by operations | **24** | | (106,391) | | (311,836) |
| **Investing activities** | | | | | |
| Purchase of tangible fixed assets | | (2,832) | | (23,338) | |
| Proceeds on disposal of tangible fixed assets | | - | | 833 | |
| Purchase of investment property | | - | | (38,645) | |
| Schroders fees deducted at source | | (9,219) | | (9,249) | |
| Interest received | | 270,275 | | 297,598 | |
| **Net cash generated from investing activities** | | | 258,224 | | 227,199 |
| **Net cash used in financing activities** | | | - | | - |
| **Net increase/(decrease) in cash and cash equivalents** | | | 151,833 | | (84,637) |
| Cash and cash equivalents at beginning of year | | | 164,538 | | 249,175 |
| **Cash and cash equivalents at end of year** | | | 316,372 | | 164,538 |

## 1 Accounting policies

### Charity information

The Honourable The Irish Society is a public benefit entity as defined by FRS102.

### 1.1 Accounting convention

The financial statements have been prepared in accordance with the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016). The Society is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the Society. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

### 1.2 Going concern

At the time of approving the accounts, the Trustees have a reasonable expectation that the Society has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the accounts.

In making this assessment the Trustees have considered the ongoing impact of the Covid-19 pandemic on the Society's cash flows and liquidity.

With respect to the next reporting period, the most significant areas of uncertainty that affect the carrying value of assets held by the Society are the levels of investment return and the performance of investment markets (see the Risk Management and Financial Review sections of the Trustees' report for more information).

### 1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in notes 3 and 8 to the financial statements.

### 1.4 Incoming resources

All income is recognised once:

- the charity has entitlement to the income;
- it is probable that the income will be received; and
- the amount of income receivable can be measured reliably.

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, VAT and other sales related taxes.

**1 Accounting policies** **(Continued)**

**1.5 Resources expended**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the Society to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses including support costs and governance costs are allocated or apportioned to the applicable expenditure headings.

Irrecoverable VAT is charged against the expenditure heading for which it was incurred.

The costs of generating funds consists solely of investment management fees.

Costs of charitable activities include grants made, governance costs and an apportionment of support costs as shown in Note 4.

Support costs have been allocated between governance costs and other support costs. Support costs include office and staff costs and have been allocated to the activity cost category or on a basis consistent with the use of resources – e.g. staff costs by the time spent, and other costs by their usage.

Governance costs comprise all costs involving the public accountability of the Society and its compliance with regulation and good practice. Governance costs include the governance arrangements which relate to the general running of the charity as opposed to the direct management functions in generating funds, service delivery, project work and grant making. These costs include such items as external legal advice, Trustees' expenses are associated with visits to Northern Ireland.

The allocation of support and governance costs is analysed in Note 4.

**1.6 Tangible fixed assets**

The Society's properties were valued in the current financial year by O'Connor Kennedy Turtle, Chartered Surveyors, providing a market value as at 30 April 2021, in line with the Society's intentions of carrying out a formal valuation of its properties every five years in accordance with FRS 102.

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

| | |
|---|---|
| Leasehold land and buildings | Straight line over 50 years |
| Motor vehicles and boats | 25% straight line |
| Furniture and office equipment | 20% straight line |

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

Other properties occupied by the Society are not treated as investment properties. These are depreciated on a straight line basis over fifty years. They are similarly valued at least once in every five years and included in the above report.

1 **Accounting policies** **(Continued)**

**1.7 Investment properties**

Investment property, which is property held to earn rentals and/or for capital appreciation, is measured using the fair value model and stated at its fair value at the reporting end date. The surplus or deficit on revaluation is recognised in net income/(expenditure) for the year. No depreciation is provided on investment properties, in accordance with accounting standards. The majority of the investment properties which are generating rental income are valued by reference to yield. Those which are not generating rental income have been valued at the Trustees' best estimates.

**1.8 Fixed asset investments**

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

The Society does not acquire put options, derivatives or other complex financial instruments.

The main form of financial risk faced by the Society is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

**Realised gains and losses**

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

**1.9 Impairment of fixed assets**

At each reporting end date, the Society reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in income/(expenditure) for the year, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately, unless the relevant asset is carried in at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

**1 Accounting policies** **(Continued)**

**1.10 Cash and cash equivalents**

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

**1.11 Financial instruments**

The Society has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Society's balance sheet when the Society becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

***Basic financial assets***

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

***Basic financial liabilities***

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

***Derecognition of financial liabilities***

Financial liabilities are derecognised when the Society's contractual obligations expire or are discharged or cancelled.

**1.12 Taxation**

The Society is not liable to tax on capital gains, rent, investment income and certain other income.

**1.13 Employee benefits**

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the Society is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

**1.14 Leases**

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease.

## 2 Critical accounting estimates and judgements

In the application of the Society's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

**Critical judgements**

**Valuation of investment properties**

Investment properties are revalued as at 30 April 2021. It is the Society's policy to obtain external valuations every 5 years.

## 3 Donations and grants

| | Unrestricted funds | Restricted funds | Total | Total |
|---|---|---|---|---|
| | 2021 | 2021 | 2021 | 2020 |
| | £ | £ | £ | £ |
| Donations and grants | 25,000 | 70,000 | 95,000 | 82,500 |
| **For the year ended 30 April 2020** | 25,000 | 57,500 | | 82,500 |
| **Donations and gifts** | | | | |
| Livery company - Drapers | - | 20,000 | 20,000 | 20,000 |
| Livery company - Clothworkers | - | 20,000 | 20,000 | 10,000 |
| City of London | 25,000 | - | 25,000 | 25,000 |
| Drapers to NCS | - | 10,000 | 10,000 | 10,000 |
| Mercers to NCS | - | 6,500 | 6,500 | 6,500 |
| City of London to NCS | - | 11,000 | 11,000 | 11,000 |
| Other | - | 2,500 | 2,500 | - |
| | 25,000 | 70,000 | 95,000 | 82,500 |

## 4 Other trading activities

| | Unrestricted funds | Total |
|---|---|---|
| | **2021** | 2020 |
| | **£** | £ |
| Commercial property rent | 122,962 | 131,318 |
| Fishing, coarse, game and sporting | 161,616 | 150,536 |
| Other trading activities | 284,578 | 281,854 |

## 5 Investment income

| | Unrestricted funds | Total |
|---|---|---|
| | **2021** | 2020 |
| | **£** | £ |
| Dividends - equities | 270,275 | 297,598 |

## 6 Other income

| | Unrestricted funds | Total |
|---|---|---|
| | **2021** | 2020 |
| | **£** | £ |
| Net gain on disposal of tangible fixed assets | - | 833 |
| Other income | 4,375 | 2,437 |
| | 4,375 | 3,270 |

## 7 Managing funds

| | Unrestricted funds | Total |
|---|---|---|
| | **2021** | 2020 |
| | **£** | £ |
| Investment management fees | 33,913 | 38,092 |
| | 33,913 | 38,092 |

## 8 Charitable activities

| | Education | Community Development | Environmental Protection & Improvement | Total 2021 | Total 2020 |
|---|---|---|---|---|---|
| | £ | £ | £ | £ | £ |
| Grant funding of activities (see note 9) | 125,942 | 64,856 | 11,250 | 202,048 | 237,650 |
| Share of support costs (see note 10) | 65,396 | 65,394 | 196,181 | 326,971 | 289,677 |
| Share of governance costs (see note 10) | 8,616 | 8,617 | 25,850 | 43,083 | 53,481 |
| | 199,954 | 138,867 | 233,281 | 572,104 | 580,810 |
| **Analysis by fund** | | | | | |
| Unrestricted funds | 181,406 | 118,167 | 232,531 | 532,104 | |
| Restricted funds | 18,550 | 20,700 | 750 | 40,000 | |
| | 199,956 | 138,867 | 233,281 | 572,104 | |
| **For the year ended 30 April 2020** | | | | | |
| Unrestricted funds | 183,919 | 122,573 | 235,194 | | 541,686 |
| Restricted funds | 16,768 | 20,656 | 1,700 | | 39,124 |
| | 200,687 | 143,229 | 236,894 | | 580,810 |

## 9 Grants payable

| | Education | Community Development | Environmental Protection & Improvement | Total 2021 | Total 2020 |
|---|---|---|---|---|---|
| | £ | £ | £ | £ | £ |
| Grants to institutions: | | | | | |
| Advisory Committee | 26,941 | 26,223 | 2,700 | 55,864 | 54,166 |
| Clothworkers | 10,650 | 9,350 | - | 20,000 | 20,000 |
| Drapers | 7,550 | 11,350 | 750 | 19,650 | 19,124 |
| London budget | 40,454 | 17,433 | 7,800 | 65,687 | 108,428 |
| To NCS | 40,000 | - | - | 40,000 | 34,435 |
| | 125,592 | 64,356 | 11,250 | 201,198 | 236,150 |
| Grants to individuals | 350 | 500 | - | 850 | 1,500 |
| | 125,942 | 64,856 | 11,250 | 202,048 | 237,650 |

## 9 Grants payable (Continued)

The Society makes grants for assistance in line with its aims of promoting the welfare of County Londonderry and adjoining areas in Northern Ireland. Grants are made on a cross-community basis to local organisations and individuals for deserving causes and to local primary, secondary and tertiary educational establishments. Details of some of the London grants that the Society paid out during the year can be seen in the Trustees' Report (pages 3-9). Full details of all Advisory Committee, Drapers' and Clothworkers' grants can be found on the Society's website. Grants payable are payments made in furtherance of the charitable objectives of the Society.

## 10 Support costs

| | Support costs | Governance costs | 2021 | 2020 |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| Staff costs | 182,138 | 36,363 | 218,501 | 221,320 |
| Depreciation | 19,295 | - | 19,295 | 18,169 |
| Rent, rates, insurance & utilities | 17,679 | - | 17,679 | 18,215 |
| Repairs & maintenance | 5,064 | - | 5,064 | 19,482 |
| Advertising, PR, & printing | 750 | - | 750 | 587 |
| Telephone | 1,998 | - | 1,998 | 1,954 |
| Computer & website costs | 5,909 | - | 5,909 | 750 |
| Motor & travel | 12,275 | - | 12,275 | 16,064 |
| Legal & professional (NI property) | 77,048 | - | 77,048 | 24,534 |
| Audit & accountancy | 1,884 | - | 1,884 | 1,814 |
| General (office sundries, stationery, subscriptions) | 2,931 | - | 2,931 | 4,516 |
| Audit fees | - | 2,400 | 2,400 | 2,400 |
| Accountancy | - | 1,600 | 1,600 | 1,600 |
| Trustee & executive expenses | - | - | - | 9,137 |
| Legal fees (non-property) | - | 2,720 | 2,720 | 2,619 |
| | 326,971 | 43,083 | 370,054 | 343,161 |
| Analysed between | | | | |
| Charitable activities | 326,971 | 43,083 | 370,054 | 343,161 |

Governance costs includes payments to the auditors of £2,400 (2020- £2,400) for audit fees, and additional accounts preparation work of £1,600 (2020- £1,600).

## 11 Trustees

None of the Trustees (or any persons connected with them) received any remuneration or benefits from the Society during the year.

## 12 Employees

**Number of employees**

The average monthly number of full time equivalent employees during the year was:

| | 2021 Number | 2020 Number |
|---|---|---|
| Direct charitable activities | 4 | 4 |
| Administration | 2 | 2 |
| | 6 | 6 |

| Employment costs | 2021 £ | 2020 £ |
|---|---|---|
| Wages and salaries | 169,562 | 169,791 |
| Social security costs | 17,113 | 17,230 |
| Other pension costs | 31,826 | 34,299 |
| | 218,501 | 221,320 |

No member of the Court received any remuneration.

The number of employees who received total employee benefits (excluding employer pension costs) of more than £60,000 is as follows:

| | 2021 Number | 2020 Number |
|---|---|---|
| £60,001-£70,000 | 1 | 1 |

## 13 Net gains/(losses) on investments

| | Unrestricted funds | Total |
|---|---|---|
| | 2021 £ | 2020 £ |
| Net unrealised gains/(losses) on investments | 994,358 | (603,579) |
| Revaluation of investment properties | 545,494 | - |
| | 1,539,852 | (603,579) |

## 14 Tangible fixed assets

| | Leasehold land and buildings | Motor vehicles and boats | Furniture and office equipment | Total |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| **Cost or valuation** | | | | |
| At 1 May 2020 | 683,420 | 49,959 | 20,681 | 754,060 |
| Additions | - | 2,832 | - | 2,832 |
| Revaluation | 96,581 | - | - | 96,581 |
| At 30 April 2021 | 780,001 | 52,791 | 20,681 | 853,473 |
| **Depreciation and impairment** | | | | |
| At 1 May 2020 | 54,168 | 38,357 | 17,152 | 109,677 |
| Depreciation charged in the year | 15,600 | 2,600 | 1,095 | 19,295 |
| At 30 April 2021 | 69,768 | 40,957 | 18,247 | 128,972 |
| **Carrying amount** | | | | |
| At 30 April 2021 | 710,233 | 11,834 | 2,434 | 724,501 |
| At 30 April 2020 | 629,252 | 11,602 | 3,530 | 644,384 |

Land and buildings with a carrying amount of £780,000 were revalued at 30 April 2021 by O'Connor Kennedy Turtle, independent valuers not connected with the Society on the basis of market value. The valuation conforms to International Valuation Standards and was based on recent market transactions on arm's length terms for similar properties.

The revaluation surplus is disclosed at the bottom of the Statement of Financial Activities.

The Society owns paintings, silver and other fixed assets in Northern Ireland, which are included at a £Nil book value but were valued in June 2011 by Danny Kinahan Fine Art & Antiques at £272,630. The Society also owns some silver items, five badges of office, a 17th Century (copy) Royal Charter and a modern Charter, all normally held in London and together valued at £100,000. No further valuations have been obtained since June 2011.

## 15 Investment property

| | 2021 |
|---|---|
| | £ |
| **Fair value** | |
| At 1 May 2020 | 3,256,506 |
| Net gains or losses through fair value adjustments | 545,494 |
| At 30 April 2021 | 3,802,000 |

## 15 Investment property (Continued)

Investment property comprises a number of different commercial properties. The fair value of the investment properties has been arrived at on the basis of a valuation carried out at 30 April 2021 by O'Connor Kennedy Turtle Chartered Surveyors, who are not connected with the Society. The valuation was made on an open market value basis by reference to market evidence of transaction prices for similar properties. It is the accounting policy of the company to obtain independent valuations for investment properties every five years.

## 16 Fixed asset investments

| | Listed investments | Other investments | Cash held by investment manager | Total |
|---|---|---|---|---|
| | £ | £ | | £ |
| **Cost or valuation** | | | | |
| At 1 May 2020 | 6,660,622 | 2 | 22,786 | 6,683,410 |
| Investment gains - unrealised | 994,358 | - | - | 994,358 |
| Barings investment management costs | (24,694) | - | - | (24,694) |
| At 30 April 2021 | 7,630,286 | 2 | 22,786 | 7,653,074 |
| **Carrying amount** | | | | |
| At 30 April 2021 | 7,630,286 | 2 | 22,786 | 7,653,074 |
| At 30 April 2020 | 6,660,622 | 2 | 22,786 | 6,683,410 |

## 17 Financial instruments

| | 2021 | 2020 |
|---|---|---|
| | £ | £ |
| **Carrying amount of financial assets** | | |
| Instruments measured at fair value through profit or loss | 7,630,286 | 6,660,622 |

## 18 Debtors

| | 2021 | 2020 |
|---|---|---|
| **Amounts falling due within one year:** | £ | £ |
| Trade debtors | 120,235 | 111,291 |
| Other debtors | 44,234 | 38,397 |
| Prepayments and accrued income | 4,210 | 4,520 |
| | 168,679 | 154,208 |

## 19 Creditors: amounts falling due within one year

| | 2021 £ | 2020 £ |
|---|---|---|
| Other taxation and social security | 24,639 | 17,634 |
| Trade creditors | 21,162 | 1,759 |
| Other creditors | 156,737 | 110,298 |
| Accruals and deferred income | 24,762 | 20,673 |
| | 227,300 | 150,364 |

## 20 Retirement benefit schemes

The Society operates a Pension Scheme providing benefits based on final pensionable pay for all of its employees.

The assets of the Scheme are held separately from those of the Society in the City of London Corporation Pension Fund.

The Scheme is a funded, defined benefit scheme. However it is also classified as a multi-employer scheme under FRS 102. Although the employer's contributions are affected by a surplus or deficit in the scheme, the employer is unable to identify its share of the underlying assets and liabilities in the scheme on a consistent and reasonable basis.

As a result, the Scheme is accounted for as if it were a defined contribution scheme, as required by FRS 102. The employer's contributions made to the Scheme in the period were £31,826 (2020: £34,299), with an employer's contribution rate of 17.5% of pensionable pay. Employee's contributions were between 5.5% and 12.5% of pensionable pay.

| Valuation date | 31 March 2019 | 31 March 2016 |
|---|---|---|
| Value of assets (smoothed) | £1,062,901,000 | £796,301,000 |
| Value of liabilities | £1,175,715,000 | £945,576,000 |
| Funding level of accrued benefits | 90% | 84% |
| Investment return on future contributions per annum | 9.8% | 5.7% |
| Investment return on accumulated assets per annum | 9.8% | 5.7% |
| Pension increases per annum | 2.6% | 2.4% |
| Rate of price inflation | 2.6% | 2.4% |

21 **Analysis of net assets between funds**

| | Unrestricted 2021 £ | Restricted 2021 £ | Total 2021 £ | Unrestricted 2020 £ | Restricted 2020 £ | Total 2020 £ |
|---|---|---|---|---|---|---|
| Fund balances at 30 April 2021 are represented by: | | | | | | |
| Tangible assets | 724,501 | - | 724,501 | 644,384 | - | 644,384 |
| Investment properties | 3,802,000 | - | 3,802,000 | 3,256,506 | - | 3,256,506 |
| Investments | 7,653,074 | - | 7,653,074 | 6,683,410 | - | 6,683,410 |
| Current assets/ (liabilities) | 257,751 | - | 257,751 | 41,382 | 127,000 | 168,382 |
| | 12,437,326 | - | 12,437,326 | 10,625,682 | 127,000 | 10,752,682 |

## 22 Operating lease commitments

At the reporting end date the Society had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

| | 2021 | 2020 |
|---|---|---|
| | £ | £ |
| Within one year | 550 | 550 |

This refers to the monthly Licence to Occupy arrangement with the City of London Corporation in respect of the Society's office at Guildhall, London.

## 23 Related party transactions

**Remuneration of key management personnel**

The remuneration of key management personnel is as follows.

| | 2021 | 2020 |
|---|---|---|
| | £ | £ |
| Aggregate compensation | 80,972 | 80,078 |

The Society considers its key management personnel to comprise the Trustees and the Society's Secretary & Representative (Northern Ireland).

One of the Irish Society trustees is Chairman (not remunerated) of the Advisory Board of Barings' Targeted Return Fund, one of the investment vehicles used by the Society up until the year end.

No guarantees have been given or received.

(Continued)

| 24 Cash generated from operations | 2021 £ | 2020 £ |
|---|---|---|
| Surplus/(deficit) for the year | 1,588,063 | (557,259) |
| Adjustments for: | | |
| Investment income recognised in statement of financial activities | (236,362) | (259,506) |
| Gain on disposal of tangible fixed assets | - | (833) |
| Fair value gains and losses on investment properties | (545,494) | - |
| Fair value gains and losses on investments | (994,358) | 603,579 |
| Depreciation and impairment of tangible fixed assets | 19,295 | 18,169 |
| Movements in working capital: | | |
| (Increase) in debtors | (14,471) | (28,812) |
| Increase/(decrease) in creditors | 76,936 | (87,174) |
| **Cash absorbed by operations** | (106,391) | (311,836) |

The Honourable The Irish Society

**Our Mission Statement:**

***'To work in partnership for the economic and social benefit of Northern Ireland'***

**For more information about how to join us in helping communities in Northern Ireland, contact us at:**

office@irishsociety.co.uk

**or visit our website at:**

www.honourableirishsociety.org.uk/